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FRIDAY, SEPTEMBER 4, 1936

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Since inception the Continental Companies have paid more than \$150,000,000.00 to policyholders and their beneficiaries, involving more than two million individual claims and other payments.

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*Business Week, Collier's, Cosmopolitan, Forbes, Nation's Business, Saturday Evening Post, Time.



METROPOLITAN LIFE INSURANCE COMPANY

Frederick H. Ecker, Chairman of the Board
Leroy A. Lincoln, President

ONE MADISON AVE., NEW YORK, N. Y.

The NATIONAL UNDERWRITER

Fortieth Year—No. 36

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, SEPTEMBER 4, 1936

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Two Companies in a Merger Project

American Central Life and United Mutual Life Are Joining Hands

TO BE A MUTUAL PLAN

H. M. Woollen Is President of the Combined Corporation and George A. Bangs Is Managing Director

INDIANAPOLIS, Sept. 3.—In a joint statement issued by Geo. A. Bangs, president of the United Mutual Life, and H. M. Woollen, president American Central Life, announcement was made of the approval of a contract of consolidation between the two companies, both of which are located in Indianapolis. The consolidation will be made under the name of American United Life and will form one of the largest and strongest life companies in the middle west. The resulting company will have insurance in force in every state in the United States, every province of Canada, Alaska, Hawaii, Philippine Islands, and the Panama Canal Zone.

Financial Statement

The combined assets will be in excess of \$43,000,000 and the insurance in force will exceed \$250,000,000. The officers and directors of both companies will remain with the new organization.

The company will operate on the mutual plan and will sell both participating and non-participating policies. The agency organizations of both companies will be continued as at present, and all policies in each company will be assumed by the new company as originally written. The quarters of American Central Life at Meridian and Fall Creek boulevard will be utilized by the new corporation as its home office.

Officers of Combined Company

The officers are to be as follows:
Chairman of the board, Alva M. Lumpkin.
President, Herbert M. Woollen.
Managing director, Geo. A. Bangs.
Vice-president in charge of reinsurance, Harry R. Wilson.
Vice-president in charge of operations, Harry V. Wade.
Investment vice-president, Russell T. Byers.
Agency vice-president, Floyd F. Fisher.
Vice-president, Edward A. Horton.
Vice-president, Robert B. Sturtevant.
Secretary, William A. Jenkins.
Treasurer, Henry W. Buttolph.
Actuary, Wendell P. Coler.
Actuary, Frank J. Haight.

Other officers will be announced at a later date.

Plan Evolved by Haight

The plan for the consolidation, which has been under consideration for a number of months, was developed by F. J. Haight of Haight, Davis & Haight, consulting actuaries of Indianapolis.

(CONTINUED ON PAGE 22)

Greater Use of Policies As Collateral on Loans

By R. E. RICHMAN

Increasing recognition on the part of both borrowers and lenders of the value of a life insurance policy as collateral is bringing about greater use of the policy for that purpose. Collateral assignments from the viewpoint of the insured, the insurer and the lender was the subject of a round table discussion at the meeting of the American Bar Association insurance law section in Boston.

Burdette L. Webster, Baltimore, was not present, but sent in a paper considering the subject from the viewpoint of the insured. He criticized use of absolute assignments as of doubtful benefit to the lender and certainly prejudicial to the rights and privileges of the insured. When an absolute assignment is made to a bank, Mr. Webster said, the company may be almost certain that the assignment is in fact collateral. He praised the practice of those companies which do not use the absolute assignment form without obtaining the consent of those interested in possible claims, benefits, surrender values or other privileges. He suggested that the insured should set forth clearly the terms of policy assignment as collateral and furnish a copy of the agreement to the insurance company.

Borrowing From Company

Discussing the right of borrowing direct from the company instead of going to another lender, Mr. Webster said, "his policy provides in substance that after premiums shall have been paid for a certain period of time, and while the policy is in force except as extended term insurance, without the consent or participation of any beneficiary not irrevocably designated or any contingent beneficiary, the insurance company will on receipt of the policy properly assigned, advance on the sole security thereof any amount up to the limit secured by its cash value, such advance to be evidenced by written agreement made at the home office and to bear interest at the rate of 6 percent.

Matter of Right or Favor

"The insured, therefore, borrows the money from the company as a matter of right under his contract. From the bank, he gets it as a matter of favor. In these times, he seeks the favor rather than exercise the right, because he is attracted by a lower interest rate. He forgets that when money is costly he never has to pay more than 6 percent to his insurance company. He frequently puts the lender in his own shoes by executing an absolute assignment and blindly signs with the lender a collateral agreement yielding up valuable rights and privileges which he is not required to do by his company. In order to save 1 or 2 percent, he will buy trouble for himself and his beneficiary. His company will go to any extent to keep his policy alive. It is not reasonable to expect a lender to do this."

Mr. Webster suggested these points which a collateral assignment should cover:

"In case of default, the assignee should give the insured ample notice

before surrendering the policy, in order that the insured may at least go to his insurance company, obtain an advance on the loan value of his policy and pay his creditor.

"Before proceeding after default, the assignee should always notify the insurance company, because the insurer will make every effort to have the insured keep his policy in force.

"The assignment should provide that the policy will be released upon payment to the lender of its cash surrender value.

"All other collateral should be exhausted before the policy is surrendered, unless, at the time of the default, the insured by a supplemental agreement directs the creditor otherwise.

"In policies providing for disability benefits, such benefits should be expressly reserved to the insured and not pass under the assignment. These very benefits may enable the insured to pay his premiums and thus keep his policy alive.

"Furthermore, the lender should not be permitted to release parties primarily or secondarily liable for the indebtedness secured by the assignment and at the same time hold the policy, without the express consent of the insured given at the time of the release.

Accidental Death Benefits

"Where accidental death benefits accrue, such benefits should pass to the beneficiary and not to the assignee. The lender usually relies on the face of the policy and presupposes natural death.

"The assignment form should, of

(CONTINUED ON PAGE 22)

Futz Wants Citizens of 84 to Hear R. B. Hull

EIGHTY-FOUR, PA., Sept. 3.—Greatly exercised because of the germ of communism that was sown here last week by a pair of anarchistic fomenters from New York who distributed a lot of red literature in 84, Joseph Futz, the alert life underwriter of this town, has requested Maj. Roger B. Hull of New York City to come to 84 and deliver either his famous address on "Sixty Million Americans Can't Be Wrong," or "The Social Engineer." In these speeches Maj. Hull, the managing director and general counsel of the National Association of Life Underwriters, brings out some very potent arguments against subversive and un-American tendencies. Mr. Futz heard "Sixty Million Americans Can't Be Wrong" in Pittsburgh some time ago and he believes it would have a very salutary effect in 84 just now. However if Maj. Hull prefers to give "The Social Engineer," that will be satisfactory to Mr. Futz.

Data of A. L. C. on Air Cover Survey

Study of Aviation Exclusion Clauses Shows Judicial Interpretation Is Unpredictable

PRECEDENT IS DIVERGENT

Practices of Life Companies Analyzed in Material Gathered Last Year by Col. C. B. Robbins

Study of data on aviation exclusion clauses of American Life Convention companies and a number of others, gathered last year by Col. C. B. Robbins, manager and general counsel, and digested and prepared in the form of a thesis by Fred M. Glass, submitted to the faculty of Northwestern University school of law, demonstrates the absolute unpredictability of judicial interpretation due to widely divergent precedent. However, Mr. Glass offered as the crystallization of his studies of law, court decisions and actual life company practices, an exclusion which he felt was clear and concise insofar as it is possible to determine under the holdings and dictum of litigated decisions. His recommended exclusion is:

"Death resulting directly or indirectly from service or travel while in, on, or near, as a passenger or otherwise, any vehicle or mechanical device for aerial flight or ascension."

The courts, he found, in recent years have come more and more to regard a life insurance applicant's answer to the aviation questionnaire as being without legal effect even though still regarded as a representation under statutory provisions. This has placed upon companies the burden of proving such representation to have been fraudulent or material in event reliance was made upon it in subsequent litigation arising out of the death of insured from an aeronautical casualty, Mr. Glass stated.

Study Is Published

His study of the perplexing problem has just been published by the "Journal of Air Law" of the Air Law Institute, Prof. Fred D. Fagg, Jr., editor-in-chief, and Prof. Harold C. Havighurst being credited by the author with giving many helpful suggestions. This is said to be the first time that so exhaustive a study of the aviation exclusion problem in life insurance has been prepared. The entire thesis has been published by the convention and is being distributed this week to member companies.

"Of obvious major importance," Mr. Glass comments, "remains the status of the insurer's future liability under any of the millions of policies containing 'engage' and 'participate' exception clauses issued during the past two decades. Available authority demonstrating the absolute ineffectiveness of an 'as passenger or otherwise' addition

(CONTINUED ON PAGE 11)

Great-West Celebrating 45th Anniversary Year

This is the 45th anniversary year of the Great-West Life of Winnipeg, one of the international companies that has made substantial and commendable progress. The company was incorporated under an act of the Dominion parliament, Aug. 28, 1891. As is the case with any great organization that has succeeded, back of it all stood and stand now personalities of high degree, men who possess characteristics that individualize the institution and made it what it is.

Foresaw Growth of Canada

In the early days of west Canada, it may be said before the turn of the century, Canadian life companies were few and small when measured by standards of today. When, therefore, the project was materializing of forming a company at Winnipeg, those sponsoring it were looked upon with more or less suspicion as being over optimistic. However, they were dreamers and prophets. They foresaw the great growth of Canada in that section.

The chief founder was Jeffry Hall Brock, who was in the financial business at Winnipeg. He was an aggressive man in whatever he undertook. He had shrewd, acute financial sense and as a salesman his ability was recognized in all directions. He was the first managing director of the Great-West and remained in office until he died in 1915. It is interesting to know that his son, Eustace A. Brock, is now secretary and therefore the continuation of the spirit of the founding fathers continues.

Early Days of the Company

A. Jardine was the early secretary who worked with the older Brock in guiding its destiny in pioneer days. The Great-West Life opened for business in 1892, occupying two rooms, the monthly rental being \$20. Alexander Macdonald, prominent Winnipeg business man, was elected president and retired in 1926, when George W. Allan, well known attorney, was elected. The first policy was sold to R. T. Riley, who is now vice-president.

At the close of the first month's business there were 37 applications for \$97,500, which was regarded as an excellent record. In November of that year, the first branch office, in Ontario, was opened in Toronto. In July the next year the company encountered its first death claim. It is interesting to know that this fatality was due to the assured being run into by a bicycle. In those days automobiles were unknown. By the end of 1893, the company had 80 representatives. Now the company has 230,000 policies in every Canadian province and in five states in the United States. The first policy loan was made in 1894 for \$45.

Entered the United States

In 1906, the Great-West Life crossed the boundary and opened a branch in North Dakota. Its expansion on this side was further carried out in 1920, when branches were established in Minnesota and Michigan. Illinois was entered in 1923 and Washington in 1931. Its business in force in these five states totals more than \$90,000,000.

Naturally with this growth in the field, the head office had to expand. In 1911 the Great-West occupied its own building, its present head office structure. In order to properly celebrate the dedication of this building, its first agency convention was held. Some of the agents attending that convention are still with the company. In 1923 it became necessary to enlarge the home office structure to eight stories. Later on an annex was built to house the Winnipeg city agency.

The Great-West Life now has over \$570,000,000 of insurance in force, its

head office staff numbers about 500 and the branch office personnel nearly 200. It operates 35 branches and numerous district offices. It issues on an average 60 policies a day. During the last 45 years it has paid to policyholders and beneficiaries \$170,000,000. Its investments are well diversified and its business is largely distributed.

President G. W. Allan is a well known attorney. He has been a director of the Great-West since 1904. He operates the G. W. Allan Farming Company. He served in parliament. He is one of the most widely known men in Canada.

Ferguson Is General Manager

C. C. Ferguson is a native of Prince Edward Island and a graduate of McGill. He became actuary of the Great-West in 1907. Many of these famous Canadian executives came up through the actuarial ranks. He was elected general manager in 1915. Mr. Ferguson has a keen mathematical mind and is in great demand as a public speaker. He has a convincing style and has developed into an able administrator. His son, Don Ferguson, is connected with the agency department.

H. W. Manning, the assistant general manager, is a dynamic personality. He was formerly connected with the head office of the North American Life of Toronto and then was with the Home Life of New York as superintendent of agents. He has been assistant general manager of the Great-West since 1931.

A. J. D. Morgan, assistant general manager, is a Welshman, who went with the Great-West in 1905. He is the investment specialist. He is much interested in horticulture and ornithology.

F. D. MacCharles, assistant general manager and actuary, is a native of Nova Scotia, joining the Great-West in 1911, is one of the governors of the University of Manitoba, takes great interest in the field men and has done much to adopt policies and technical features to their liking.

Eustace A. Brock, son of the founder, inherited many of the abilities of his distinguished sire. He attended college at Woodstock and McGill. At one time he was British Columbia manager for the Gresham Life. He later became assistant to A. Jardine, former secretary of the Great-West. He became secretary in 1927. Mr. Brock has made a special study in advertising, conservation and promotion work. He is regarded as one of the most finished after-dinner speakers in the company executive ranks.

Founder's Son



EUSTACE A. BROCK, Winnipeg

Eustace A. Brock, secretary of the Great-West Life, is taking particular interest in the 45th anniversary of this Winnipeg company because his father, Jeffry Hall Brock, was the founder.

Life Insurance Production Figures for Detroit Area

DETROIT, Sept. 3.—Paid volume of new ordinary life insurance for the Detroit territory for July, shows an increase of 10.9 percent over the equivalent month of 1935, says H. B. Thompson, secretary-counsel for the Associated Life General Agents & Managers. July figures show a drop of 3 percent under June, 1936, considerably less than the usual seasonal drop. Seventeen companies, writing 40 percent of the business in Detroit, paid for \$6,304,789 in July, 1936; \$5,684,614 in July, 1935, and \$6,686,907 in June, 1936.

Checks by Non-Existent Company

A warning has been issued at Columbus against the acceptance of checks drawn on the Ohio National Bank of that city in the name of the "Ohio Mutual Life Insurance Company." There is no such insurance company, the Ohio department announces. Checks have been sent to the bank at the rate of four or five a day, usually in the sum of \$25 or \$30.

Two Speakers Slated for National C. L. U. Meeting

BOSTON PROGRAM ANNOUNCED

A. J. Johannsen, the Nominee for President, and T. M. Riehle Will Address the Gathering

A. J. Johannsen of Chicago and T. M. Riehle of New York are to be the speakers at the banquet Sept. 23 of the National Chapter C. L. U. during the week that the National Association of Life Underwriters is meeting in Boston. Mr. Johannsen is connected with the Northwestern Mutual. He is president of the Chicago chapter C. L. U. and vice-president of the National chapter. "The Relationship of the C. L. U. Movement to the Agency Problems of Training," will be his topic.

Mr. Riehle is general agent for the Equitable Life of New York. He is past president of the National Association of Life Underwriters.

The nominating committee for the National chapter recommends the election of Mr. Johannsen as president at the Boston meeting. He will succeed Fred L. Cassidy, Prudential, Seattle.

For vice-president the nominating committee recommends Kellogg Van Winkle, agency manager of the Equitable Life of New York at Los Angeles, for treasurer, Charles L. Post, broker of New York, and for secretary, David McCahan, dean American College of Life Underwriters.

For directors, the nominating committee recommends: G. B. Dorr, general agent Northwestern Mutual, Hartford; Benjamin Alk, Penn Mutual, New York; M. R. Orr, general agent Massachusetts Mutual, Philadelphia; E. W. Brailey, New England Mutual, Cleveland; O. J. Neibel, Penn Mutual, Kansas City; E. J. Brown, Equitable of Iowa, Lafayette, Ind.; H. G. Hewitt, state manager Northwestern National, Houston; H. L. Choate, general agent Mutual Benefit, Washington; H. W. Dougher, agency supervisor John Hancock, Los Angeles; Freeman Essex, Northwestern Mutual, Portland, Ore.; Paul F. Clark, general agent John Hancock, Boston; Frederick Bruchholz, agency director New York Life, Chicago.

George E. Lackey, Massachusetts Mutual, Detroit, is chairman of the nominating committee.

There will probably be a luncheon meeting of all local and national chapter officers Sept. 24.

State Mutual Mortality

The State Mutual Life has released a study of deaths by causes, taken from its mortality records for the first seven months. The company has divided its experience under eight headings, at the same time listing separately some of the outstanding and some of the most interesting causes. Under the heading general diseases only 1 percent of total deaths occurred from influenza, at one time a large factor. Cancer accounted for 11 percent and tuberculosis 2 percent. Total general diseases caused approximately one-fifth of all deaths.

The seven remaining classifications are itemized only when interesting single causes are disclosed which are not negligible: nervous diseases 14 percent; with apoplexy 12 percent; circulatory diseases, 39 percent; with heart trouble, 15 percent; respiratory diseases, 9 percent; digestive diseases, 6 percent; genito-urinary diseases, non-venereal, 4 percent; external causes, 8 percent; with auto accidents, 2 percent; suicides, 3 percent; senility and miscellaneous, less than 1 percent.

D. E. Peavy, Beaumont, Tex., agent of the Lincoln National Life, has completed 15 years' membership in the Consecutive Weekly Production Club.

THE WEEK IN INSURANCE

American Life Convention issues data on life company practices with regard to aviation exclusion clauses. Page 1

Greater use of life insurance policies as collateral revealed at round table session of insurance law section of bar association meeting at Boston. Page 1

Several sharp resolutions are adopted at the concluding session of the National Fraternal Congress in New York City. Page 1

Denver leaders are determined to land the 1937 convention of the National Association of Life Underwriters for their city. Page 3

Leaders Club of the Fidelity Mutual Life holds annual convention at Hot Springs, Va. Page 3

Prof. William Lyon Phelps and A. W. Atwood, journalist and commentator, have been added to the program of the National Association of Life Underwriters in Boston. Page 4

The Great West Life of Winnipeg is celebrating its 25th anniversary. Page 2

American Central Life and United Mutual Life, both of Indianapolis, combine under the name of the American United Life. Page 1

Charles Adams has been installed as president of the Ohio State Life. Page 3

Charles Heath, superintendent of insurance for Manitoba, has been elected president of the Association of Superintendents of Insurance of the Provinces of Canada. Page 8

N. H. Weed of New York City, editor of the fire insurance department of the "Weekly Underwriter," died last week. Page 14

Conferences among attorneys of the courts and others interested are being continued in the Pacific Mutual Life litigation. Page 5

Injunction suit has been filed in the United States district court at Springfield, Ill., by three St. Louis policyholders of the Modern Woodmen, who ask for an accounting. Page 6

Financial statement of the Life Insurance Company of Detroit is shown by President T. F. Lawrence. Page 16

Denver Leaders Prepare for Fight

Determined to Land 1937 Convention of National Life Underwriters

CLAIM STRONG SUPPORT

Campaign at Boston Will Surpass Anything Seen Before, Isadore Samuels Asserts

DENVER, Sept. 3.—That Denver will have strong support to be designated as the 1937 host city to the National Association of Life Underwriters when that group meets in Boston the week of Sept. 21 was revealed this week when Isadore Samuels, chairman of the Colorado convention committee, announced that he had received nearly 1,000 letters from national committeemen and association officers supporting Denver's bid.

These responses have been received in answer to letters sent several months ago by the convention committee which has been working quietly but steadily. As a result they are certain that Colorado's fifth bid for the convention will not be denied.

Never Had Convention

"The Rocky Mountain area has never had a convention in the 46 years history of the National association," Mr. Samuels declares. "The south claims that they have had only three conventions during that time, but this great area from the Missouri river to the Pacific Coast section, from Canada to the southern section, has never had the privilege of entertaining our great association. We have made four previous bids, without designating a definite year. Now we are certain that 1937 is the year to hold the meet in the Rocky Mountains, in Denver the center of that region. Everything possible is being done to make it the most successful ever held."

The association is not only making a strong bid by letter, but also personal contact. George A. Stoecker, Travelers, will carry the campaign to French Lick Springs at the midwest conference of his company, which will fall in line for Denver, he believes.

"Denver can easily show the National association one of the best conventions they have ever held, for this convention city which has entertained such great organizations as the National Education Association and the Kiwanis is convention conscious and has more than ample facilities for our organization," says Guy Gay, Sun Life, president of the Colorado association. "The week of Sept. 13 here, we are hosts to more than 30,000 Veterans of Foreign Wars in their national convention. Such great scenic wonders as Pikes Peak and Estes Park are at Denver's doorstep."

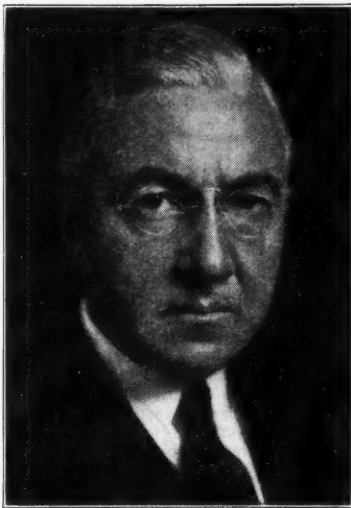
Transportation Facilities

As to transportation facilities, the committee points to the speediness of travel in the streamlined trains into Denver, the low fares, and the main highways into the state. It is overnight by air from the east or the west.

With 471 paid members up to June 30 of this year the Colorado association ranks eighth among all associations.

"The convention will know that Denver is there when it meets in Boston," Mr. Samuels declares. He has a well organized campaign arranged for the meeting which he asserts will surpass anything ever staged before. After three years of personal attention to Colorado's campaign, and a summer devoted exclusively to it, he plans to put a real climax to the work.

To Address Meeting of Supervisors in Boston



JULIAN S. MYRICK

The principal speaker at the supervisors session during the annual meeting of the National Association of Life Underwriters in Boston will be Julian S. Myrick, who is manager for the Mutual Life of New York at New York. He is a past president of the National association, is now a trustee and year in and year out exercises close watch on National association affairs.

Two Western Companies Admitted

The National Life of Des Moines and the National Old Line of Little Rock, Ark., have been elected members of the American Life Convention. Their addition swells membership to 139. The National Life of Des Moines was organized in 1899 and operates in 21 states. William Koch is president. The National Old Line was organized in 1926 and is writing only in Arkansas. G. M. Lamberson is president.

Claris Adams Takes Up His New Duties at Columbus, O.

IS HEAD OF OHIO STATE LIFE

Agents Are Putting On an Inaugural Sales Contest in Honor of the President

COLUMBUS, O., Sept. 3.—In honor of Claris Adams, who became president of the Ohio State Life Sept. 1, succeeding the late U. S. Brandt, the field force is putting on an "inaugural campaign" to extend from Sept. 1 to Oct. 31. The winning agency will be presented a silver victory trophy, which will become the permanent possession of the agency winning it twice in succession. Each agency winning the trophy also will be presented a replica of it.

Thirty representatives who make the quotas assigned them and produce the largest volume of paid-for business in the two-month period will receive cash prizes, and awards also will be made to all representatives of the company who make their quotas. The ten who write the largest volume of business in the first 10 days of September will receive special awards.

In charge of the campaign, representing the field force, are L. A. High, manager of the Columbus agency; Carl Adams, Cleveland manager; J. C. McFarland, general agent at Cincinnati; E. G. Siefert, manager at Marion, O., (CONTINUED ON LAST PAGE)

Fidelity Leaders Club Convention

Top Producers Attend the Four Day Session Held at Hot Springs, Va.

OFFICERS ARE INSTALLED

J. E. FitzGerald of San Francisco Again Wins Presidency; Home Office Men on Program

HOT SPRINGS, VA., Sept. 3.—Members of the Fidelity Mutual Life Leaders Club nearly 200 strong attended the four day annual convention here. The convention opened with a managers conference presided over by Frank H. Sykes, vice-president and manager of agencies, who also presided at the Leaders' Club sessions.

President Walter LeMar Talbot extended greetings to the delegates. While his talk for the most part was a detailed discussion of Fidelity problems, it was prefaced by the following comments on life insurance in general:

Security of the Business

"Through all the recent disrupted years of economic stress, life insurance has stood its ground with unequaled credit and solidarity. It not only discharged its obligations, as they became due, but successfully withstood the tremendous cash demands made upon it by policyholders who were forced to avail themselves of loan privileges and intermediate surrender values. The extent to which this outpouring of life insurance funds during that critical period eased the financial crisis of the nation cannot be overestimated; but we do know that our government's burden would have been very much greater had it not been for this enormous cash distribution. Nor during these troublous times did life insurance become a non-dividend paying security or suffer a decrease in market value one penny under the par at which it was issued."

Agency System Is Stable

"Too much cannot be said in praise of the American system of agency operation, which has been wholly responsible for an allied relationship with the institution of life insurance of some 63,000,000 policyholders, spreading financial independence throughout houses, businesses, educational and charitable institutions."

"This vast army of policyholders has voluntarily associated itself with the benefits of life insurance and, therefore, it must be assumed endorses its principles and naturally would feel friendly toward its representatives. Therefore, in the present high state of membership development, I can see little need of any pure missionary labor in the field of life insurance. Our logical and most likely contacts already exist, and they should have our tactful cultivation, offering the best service of which we are capable with a view of meeting the individual insurance needs."

Officers Are Installed

Always a high spot in Fidelity conventions, the installation of new officers of the Leaders Club was particularly colorful this year. John Dennis Mahoney, head of the English department of West Philadelphia high school conducted an "amateur hour" through which officers were separately inducted. J. E. FitzGerald, San Francisco, succeeded himself as president, having registered himself five times as honor man for the month during the club year. Mr. (CONTINUED ON LAST PAGE)

"I HAVE BEEN WAITING"

This story was told at one of our Conventions, the speaker using it to emphasize that test attempts to close should be a part of the underwriter's sales technique.

The salesman approached a butcher and told him of his new slicing machine, which did "a truly miraculous job." "Get me a strip of bacon," said the salesman, "and I will show you how it works." The salesman placed it in his slicing machine, and proceeded to slice away. "See," exclaimed the salesman, "doesn't it do a wonderful job?" "Yeah," grunted the butcher.

After several moments of embarrassing silence, the salesman asked the butcher to get another strip. And again the slicing machine did a truly remarkable job of preparing a piece of bacon for the housewife's frying pan. "Isn't that swell?" beamed the salesman. "Wonderful," returned the butcher. More embarrassing moments. And then, after practically exhausting the butcher's supply, the salesman in desperation exclaimed, "Well, do you want it?"

"My dear boy," said the butcher, "I have been waiting for you to ask me that for the past hour so that I could ask you how much it costs."

Simple closing tests often show that the prospect's mind is already ripe for signing, and, too, they sometimes prevent talking a prospect into and then out of a sale.

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

Fraternalists Need Special Talking Point in Selling

CHARITABLE SIDE NOT ENOUGH

R. M. Norrington Suggests Legal and Medical Health Service—Tells Gleaner Life's Plans

NEW YORK, Sept. 3.—In competing with nationally advertised life insurance companies, the fraternalist must have a special talking point, according to R. M. Norrington, field superintendent for the Gleaner Life of Detroit, who addressed the field managers conference preceding the annual meeting of the National Fraternal Congress here.

The societies maintain homes for the aged, distribute benevolent funds, care for children and the disabled, have hospital beds, etc. However, Mr. Norrington said that these are not effective talking points because they are designed for only a comparatively small percentage of the members. The average man who is physically and financially able to purchase life insurance does not picture himself as the future recipient.

Must Have General Appeal

Something, according to Mr. Norrington, must be found in which every one will share and which is not dependent upon some contingency. That is, something must be presented that will appeal to the strong as well as the weak, healthy as well as the sick, young as well as the old, rich as well as the poor.

The three thoughts that are uppermost in the minds of most people, he said, are the need to preserve health, need for legal advice and the great danger of injury and of accidental death.

With these thoughts in mind, the Gleaner Life has undertaken to offer additional services to assist in making sales and in overcoming some of the sales resistance that is encountered. The societies, he said, should be made "service stations for humanity."

A legal service is under consideration by Gleaner Life, he said, although nothing has been done with it.

A field medical health service has been installed. The services of a doctor, whose wife is a nurse, were obtained. The couple travels constantly examining Gleaner members. They spend about a week at each place. Members are advised a week ahead of time of their forthcoming visit. Any member whose policy is in good standing is entitled to an examination. A confidential report is given the member and if necessary one is given to the member's physician. The names of those who are insurable

Policyholder's Faith in Life Insurance Sound

Speaking at the "All Star" convention of the Business Men's Assurance in Chicago, Alexander E. Patterson, manager of the Penn Mutual Life in that city, took as his subject, "I Vote for Life Insurance." His talk was brief but he touched on a few fundamental points. He said the foundation of life insurance was faith. He said the policyholder has faith in life insurance, and the agent must have faith in it to sell it. That this faith was justified is proved by the record of life insurance in the depression. The companies proved sound, with slight exceptions. Their methods were proved sound. He declared that the public believes more in life insurance than some of the men selling it.

Failure to sell life insurance, he declared, may be due to faulty work habits. Unless an agent exacts from himself the same work and the same devotion that an employer would require, he cannot expect the success that otherwise his abilities would produce in the life insurance field.

Mr. Patterson quoted a resolution which he ran across several years ago and which he had found helpful: "To do those things well that I most dislike to do."

risks are referred to the field man. About 15 are examined a day and in six months hundreds of members have taken advantage of this service.

While in the locality, the doctor made examinations for new business applications, thereby effecting a saving. The agent used this service to good advantage in making sales by placing this added value to a membership.

People these days are impressed with the hazard of the automobile and the danger of accidental death. Accordingly Gleaner Life inserted a clause in its contract providing a monthly income of \$40 per \$1,000 of insurance for a period of 25 months in the event of accidental death of the assured. The premium is loaded for this, but the annual premium with the accidental death benefit included is less than the quarterly premium without the accidental clause multiplied by four, so that the benefit can be added at an actual saving by making an annual payment.

Inclusion of this benefit has resulted in additional new business and has resulted in converting much quarterly business to an annual basis.

Rejections on Account of Liquor Habit Big Factor

HEAVY AT THE YOUNGER AGES

Dr. Kennedy Gives Analysis in Addressing Medical Section of National Fraternal Congress

NEW YORK, Sept. 3.—With very little recourse to medical terminology, Dr. H. B. Kennedy, assistant medical director of the Woodmen of the World of Omaha, made a good many practical observations and suggestions in addressing the medical section of the National Fraternal Congress here. He gave the results of a survey of 1,049 rejections of the Woodmen of the World in June. About 30 percent of the rejections were made on account of the report of liquor habit. About 10 percent were made on account of moral hazard, so that about 40 percent were on account of moral hazard and liquor habit combined. Many rejections for liquor habit were among the younger ages. Over 105 applications rejected on this account were under 30 years of age.

The second largest was a group of 148 rejected under "incomplete information."

The third largest group was composed of 121 applications on which previous rejections had been made.

Reducing the Rejections

In order to cut down the number of rejections on account of incomplete information and on account of previous rejections, the field man should adopt a different attitude in getting the applications filled, he declared.

Recent illness or unhealthy appearance was responsible for 112 rejections. The deputy, he said, should learn to judge desirability of the applicant from general appearance, family history or information of recent illness.

High blood pressure was responsible for 52 rejections. The importance of blood pressure should be emphasized particularly after age 40, or, regardless of age, when there is evidence of heart disease, disease of the blood vessels or kidney disease in the family history.

Dr. Kennedy also analyzed the rejections for other causes.

He said the society must beware of fat persons applying for large amounts. Most persons who are rejected for life insurance fail to admit it when applying for protection afterward. The need for impairment and inspection service is of utmost importance in such case and the individual securing the business should

(CONTINUED ON LAST PAGE)

W. L. Phelps, A. W. Atwood Added Boston Speakers

William Lyon Phelps, a leading educator and authority on English literature, and Albert William Atwood, journalist and financial commentator, have been added as speakers for the convention of the National Association of Life Underwriters at Boston, September 21-25. These speakers will be featured at the opening session Tuesday evening, Sept. 22. The subjects of their addresses will be announced later.

Dr. Phelps in 1891-2 was instructor in English literature at Harvard and in 1893 he moved to Yale, where he became an assistant professor. In 1901 he was appointed Lampson professor of English literature, which post he held until 1933, when Yale made him professor emeritus. Today he is Yale's public orator. His writings are famed. They include: "Beginnings of the English Romantic Movement" and "The Advance of English Poetry," "As I Like It," and "Essays on Things."

In late years Dr. Phelps has devoted much of his attention to the theater, having served on the drama committee superintending the award of the Pulitzer prize for the outstanding American play. His volume on "The Twentieth Century Theater" is one of the outstanding books on that topic.

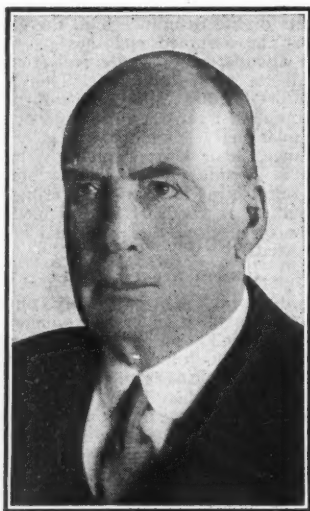
Atwood Widely Known

Mr. Atwood, from 1913 until 1917, was finance and insurance editor of "McClure's Magazine" and financial editor of "Harpers Weekly." He was a contributor to "Financial News for Investors" in the "Review of Reviews," and financial editor of "Every Week" and associated Sunday magazines. From 1914 to the present he has been a contributor to the "Saturday Evening Post" on finance and economics and politics and government. In 1917 he became a regular staff contributor to that magazine and since 1929, as editorial and staff writer he has contributed regularly to its editorial pages. His weekly articles on business, finance, politics and government have won him fame as a leading journalist and financial commentator.

From 1908 until 1915 Mr. Atwood was lecturer on finance in the New York University school of commerce, accounts and finance, and from 1915 until 1922 he was an associate on the faculty of the Columbia school of journalism. He has written a number of books including "Putnam's Investment Handbook," "How to Get Ahead," "An Elusive Panacea" and "The Mind of the Millionaire."

For the past 10 years Mr. Atwood has lived in Washington, D. C.

GREAT-WEST LIFE OFFICIALS IN ANNIVERSARY



GEORGE W. ALLAN
President



C. C. FERGUSON
General Manager



H. W. MANNING
Assistant General Manager



F. D. MacCHARLES
Assistant General Manager-Actuary

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Pacific Mutual's Case Is Still Up

Hearings Are Being Continued
Before the Court This
Week

HOPE FOR SOLUTION SOON

Some Insurance Departments Question
the Financial Statements That
Were Rendered in the Past

LOS ANGELES, Sept. 3.—The hearings in the Pacific Mutual case are continued until Sept. 11 to consider proposals of outsiders. Evidently bids from outside interests are now to be considered, although the court and the commissioner heretofore have not been responsive to that idea.

LOS ANGELES, Sept. 3.—The Pacific Mutual Life issue is dragging along in the court with hearings among clashing attorneys and different interests, representatives of the company and Judge Willis. An attempt is being made to formulate a program that will be acceptable to all hands. With the opposition that has been encountered there are a number of snags to be hewn down. Technical objections are being raised and in some cases the proposition is not being viewed from a broad standpoint. Satisfactory progress is reported and the conclusion of the conference is expected last of this week.

There are rumors in the air that some

investigation will be made of previous financial statements filed by the Pacific Mutual Life with insurance departments. Some of the departments declare that they received in good faith these statements and with the conditions revealed it is difficult to reconcile figures of the past with the actual conditions. The big deficit in potential claims that the National Association of Insurance Commissioners convention committee figured out is based on the company's own experience. The company used the so-called "commissioners formula" that was approved by the National Association of Insurance Commissioners before. That proved, however, very inadequate. Severe reflection is being made on previous administrations of the California insurance department for allowing the Pacific Mutual Life case to develop to huge proportions.

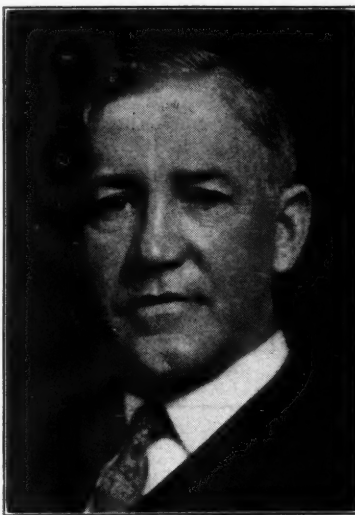
Wanted Constructive Suggestions

In opening court Aug. 26, when hearings in the Pacific Mutual case were resumed, Judge Willis said he wished to emphasize that the suggestion he made on Monday that all attorneys appearing in the case engage in round-table discussions after court, in an effort to avoid prolonged and involved litigation, would not preclude the submission of any new plans for solving the troubles and that the court was desirous of getting the fullest cooperation of everyone. Continuing, Judge Willis added that he wished to hear briefly any objections to the rehabilitation plan and that afterward he desired the attorneys to begin the round-table discussions in order that they might coordinate their various ideas in an effort to reach an agreement of procedure fair to all.

Objections to Commissioner Carpenter's rehabilitation plan officially went into the court records. Ten attorneys, representing large groups of non-cancelable policyholders and stockholders, addressed the court and communications

(CONTINUED ON PAGE 24)

New Head of Committee to Improve Field Setup



W. W. JAEGER

W. W. Jaeger, vice-president Bankers Life of Iowa, has been appointed chairman of the agency practices committee by the Life Agency Officers Association's executive committee to fill the vacancy left by the death of Vice-president F. H. Davis of the Penn Mutual Life.

"Mr. Jaeger has invariably stood for the finest principles of agency practice," the announcement stated. "His intimate knowledge of field problems and his courageous viewpoint on all matters pertaining to agency affairs singularly suits him for this important chairmanship and insures the prosecution of its

work with the same vigor and enthusiasm as was injected into it by the late Frank H. Davis." Mr. Jaeger has long been active in agency affairs and has given his time freely as chairman of the Sales Research Bureau executive committee.

Arthur Fisk in Charge of the Life Advertisers Group

The life group session of the Insurance Advertising Conference's annual meeting at the Westchester Country Club, Rye, N. Y., will be held Sept. 15, under the direction of Arthur A. Fisk, advertising manager of the Prudential.

Topics affecting advertising will be discussed by representatives of the Equitable Life, John Hancock, Mutual Life of New York, New York Life, Prudential, Metropolitan Life and others. Among the topics are "Advertising Rates and Circulations," "Copy Testing," "Advertising Agency Compensation," "Radio Advertising," "Magazine and Newspaper Advertising," "1937 Advertising Schedules," and the latest advertising methods being adopted by the leading insurance companies.

A committee under the direction of A. Wilbur Nelson, publicity manager of the National Board of Fire Underwriters, is arranging for an exhibit of insurance display advertising and literature covering all types of insurance.

Stresses Wide Distribution

SAGINAW, MICH., Sept. 3.—Commissioner Ketcham in an address before the Rotary Club here emphasized that wealth, in the form of life insurance, is not concentrated in the hands of the few, as often charged, but is widely distributed with 65,000,000 policies in force, averaging \$1,600 each, their aggregate total constituting 70 percent of the world's life coverage.



When Lafayette revisited America in 1825 he spent a night in Montpelier. Vermonters still cherish a toast which he offered, "To Vermont, Montpelier and the Green Mountains, from which was echoed early, and valiantly supported, the Republican cry for Independence and Freedom."

INDEPENDENCE AND FREEDOM

Even before the Revolution, the "Sons of the Green Mountains" had organized under Ethan Allen for home protection and independence. From those early days down to the present, Vermont has continued to be associated with the homely characteristics of rugged persistence, self-reliance and thrift which is so necessary for home protection. It is only natural that Vermonters were early to found a life insurance company and with "National" as its name this company was among the first to carry the gospel of protection to the country at large.

Before or after the N. A. L. U. convention we invite you to visit Vermont and the Home office of the National Life Insurance Company.

NATIONAL LIFE INSURANCE COMPANY
PURELY MUTUAL

HOME OFFICE
MONTPELIER

VERMONT

ESTABLISHED 1850

To Confer With Treasury on Agent's "Employee" Role

GOVERNMENT IN THE PICTURE

Two States Withholding Action on Unemployment Insurance Status Pending Federal Decision

WASHINGTON, Sept. 3.—While all the states which have ruled on the status of insurance agents under their unemployment compensation laws have held them not to be employees if compensated solely by commission, the federal government is yet to be heard from and a conference has been arranged for some time after Labor Day between representatives of the life companies and the internal revenue bureau. The bu-

reau will probably be represented by its general counsel.

While the life people are hopeful, the New Deal attitude has been to make the social security coverage include as broad a field as possible and put the burden of proof on those believing themselves to be exempt. At least, that is the general stand of its economists and social workers, while the lawyers are more inclined to view matters as to the probable outcome under the law. This was the situation when the District of Columbia unemployment compensation board first declared agents to be employees under the act and then later exempted them.

Chaos Might Result

Should the federal government's opinion prove different from that of all the states which have rendered an opinion on the commission-paid agent, the situation could be conservatively described as chaotic. The federal government would then be collecting taxes on com-

mission compensated agents, but the states, having gone on record as holding these agents not to be employees, could collect nothing from the federal government on their behalf. If the states were to change their decisions already rendered there would undoubtedly be prolonged litigation and confusion.

Two States Holding Off

Two states which have unemployment compensation laws but which have not rendered an opinion on the status of insurance agents are known to be holding off to see which way the federal government will jump, in order to avoid the embarrassment of being in conflict with it.

Utah is the latest state to pass an unemployment insurance law. It was one of the first to pass such legislation but in its original form the law would so obviously have failed to conform with the federal specifications that the governor did not even proclaim it to be in effect. Instead a new statute was passed at a special session just ended.

Modern Woodmen Attacked in Springfield, Ill., Suit

SEEK TO STOP EXAMINATION

Three Missouri Policyholders Endeavor to Have Injunction Granted— Hearing Set for Sept. 21

SPRINGFIELD, ILL., Sept. 3.—The fight between the state of Missouri and officials of the Modern Woodmen was carried into the United States district court in this city when three St. Louis policyholders filed suit seeking an injunction against several national officers, asking an accounting of certain funds, and demanding appointment of a receiver for the fraternal. Judge Bringle set Sept. 21 as the date for the hearing.

Allegations in the Bill

Allegations in the bill assail A. R. Talbot, president of the Modern Woodmen, and the other directors, E. J. Bullard, Detroit; W. W. Gordon, Kansas City; F. R. Korns, Des Moines; F. N. McDavis, Springfield, Mo., and H. F. Turner, Paducah, Ky. These men are not made defendants, however, because they are not within the jurisdiction of the district court. The defendants are National Secretary J. G. Ray, Rock Island; National Treasurer Oscar E. Aleshire, Chicago, and George Hatzembuhler, Bloomington, Ill., chairman of the board of directors and Republican candidate for lieutenant governor.

The petitions also requested that they be given a temporary injunction to prevent the holding of a proposed convention examination of the Modern Woodmen, to be held here on Sept. 8 and to be participated in by eight different states. The group was not insistent on this one point and the judge's order setting the date of hearing as Sept. 21 contained no reference to it.

Palmer Announces Examination

Some time ago the notice of the eight-state examination was issued by Insurance Director Palmer. The plaintiffs charge that it was procured by the defendants and that the latter hope to influence the examination in their own favor, which, in effect, would discredit the recent examination held by the Missouri.

(CONTINUED ON PAGE 11)

Trade Balance Favors U. S. in Life Company Operations

Transactions of foreign life companies in this country decreased from \$66,000,000 income in 1934 to \$63,000,000 in 1935, the Department of Commerce reports. Compared with this, foreign branches of American life companies had an income in 1935 of \$77,000,000, showing a substantial trade balance in favor of the United States. In addition, American fraternal had income of \$1,000,000 in foreign countries.

United States branches and affiliates of foreign life companies had ledger assets in 1935 of \$350,000, whereas assets abroad of American life companies totaled \$509,000,000, and of fraternal, \$5,000,000.

Minneapolis C. L. U. Elects

John O. Todd, Northwestern Mutual Life, Minneapolis, has been elected president of the Twin Cities chapter, C. L. U. He succeeds A. F. Breher, Northwestern Mutual Life, St. Paul. M. L. Meyer, Guardian Life, St. Paul, is the new vice-president, and John F. Adams, Northwestern National Life, is secretary-treasurer. Plans were discussed for the coming year with special emphasis on the training of new members for degrees.

GREAT SOUTHERN LIFE PERFORMANCE

Over a Quarter of a Century of Life Insurance Service

Disbursing: To Living Policyholders . . . \$27,684,716

To Beneficiaries . . . \$21,884,492

Offering Complete Life Coverage Under Both Participating and Non-Participating Contracts

Operating in the Eight States of the Great Southwest

Building Through a Field Force of More Than 1,000 Life Underwriters, Each Holding Contract Direct with the Company.

Achieving an Institution with:

More Than \$227,000,000 Insurance in Force

More Than \$43,000,000 in Assets

More Than \$4,700,000 in Capital and Surplus

GREAT SOUTHERN LIFE INSURANCE COMPANY

E. P. Greenwood, President

HOME OFFICE: HOUSTON, TEXAS

Prominent in the Merger



HERBERT M. WOOLLEN



GEORGE A. BANGS

Two men who figure very conspicuously in the merger deal of the American Central Life and United Mutual Life of Indianapolis are President H. M. Woollen of the former company and President George A. Bangs of the latter. Both are skilled and resourceful executives. Mr. Woollen becomes president of the combined company and Mr. Bangs managing director.

Say Bill Promotes Cities' Defaults

Fraternalists Score Proposal to Trim Bondholders 40 Percent in Municipal Bankruptcies

SHARP N. F. C. RESOLUTIONS

Protest Against Licensing of Creditors' Committees as Hampering Smaller Groups

NEW YORK, Sept. 3.—Resolutions strongly condemning activities of the federal government which would tend to encourage defaults or compromises by the municipalities or other political subdivisions of state were adopted by the National Fraternal Congress at its final session here. Objection was particularly directed at a Senate bill authorizing the Reconstruction Finance Corporation to make loans to subordinate governmental agencies to help reduce their debts, provided the bondholders would accept 60 cents on the dollar for their securities, no matter what might be the intrinsic value of the obligation, or the wealth, financial prospects or assured future of the community.

The resolution pointed out that the enactment of this proposed law, together with what is termed an impossibly low interest rate of 4 percent, would create a motive on the part of the smaller subordinate governmental agencies to default on the payment of maturing installments of their debts and to persist in defaulting and repudiating their bonds so as to keep the value down to a point where lenders would accept 60 cents on the dollar. The resolution also urged that Senators and Congressmen be urged to defeat the bill, S. 3741.

Score Bureaucracy Proposal

Another resolution dealt with the municipal bankruptcy act and the proposal of the Securities & Exchange Commission to place the personnel and practices of bondholders' committees or other representatives under federal regulation. The resolution expressed satisfaction that the municipal bankruptcy act had been declared invalid by the courts and urged that since the federal government has no power to regulate the instrumentalities of the states, there should be no attempt to create a bureaucratic control in Washington over these state instrumentalities.

A third resolution protested against a congressional bill which would place under SEC control all bondholders' committees or other representatives by making their operations subject to an SEC certificate of authority. The resolution stated that this measure if enacted and held valid would have the result of preventing the enforcement of all municipal bonds, particularly those owned by individuals of modest means who are dependent upon cooperation with others to minimize expense, preventing practicable contact between bondholders and financially embarrassed municipalities, and increasing the burden upon smaller taxing districts by reducing the desirability of their bonds through increasing the difficulties of enforcing obligations.

The N. F. C. also went on record as opposing the financial policies of the government, especially in the floating of its tremendous loans, stating that these operations have so far depressed interest earning rates as seriously to impair the reasonable investment income necessary for the security of life insurance reserve, and that this condition must inevitably cause a general increase of premium rates on new business and a re-

duction of dividends to policyholders.

The fraternalists have always contended for a tax-exempt status, and the ruling of the internal revenue bureau that their employees are subject to the social security act, resulted in a resolution which also took in all other forms of taxation. The resolution pointed out that fraternal societies have no funds available to pay these social security taxes except by increasing the rates of their members, which would be destructive to the societies, and furthermore, the societies now maintain homes for the aged, provide food, clothing and lodging for the needy, pay dues for distressed members, provide relief for those harmed in floods and other catastrophes, and in some cases provide medical and burial expenses, all tending to promote social security for the members.

May Curb Fraternal Activities

If they are taxed under the social security act, some of these features will have to be abandoned, it was pointed out, leaving them for the government to take over. It was also urged that in case the treasury department should not reverse its ruling, a committee should request a moratorium from the provisions of the act until about the middle of 1937, and that the societies should urge members of Congress to pass an amendment specifically exempting fraternal societies from social security tax provisions.

The N. F. C. went on record as opposing the social security act as removing the incentive to individual initiative and self reliance so as to threaten seriously and break down the national character, as well as to place financial burdens upon those unable to carry more than they are at the present time. The resolution recognized the noble intent of the social security act, but pointed out dangers in a too broad application or a misinterpretation of the act's expression, and stated that citizens have been able to avail themselves of low cost insurance, annuities, accident and health policies, and savings institutions to provide for their own social security.

The congress warned that the greatest caution must be used or else there will be imposed so great a burden upon the citizens that they will destroy both those whom they would help and those who must bear the cost of the social experiment.

The congress decided to establish at its central office in Chicago under the supervision of Secretary Foster F. Farrell a clearing house of information on all field representatives who have formerly been connected with any member society, and whose record would be of interest to a society which might be considering employing them.

The congress protested against welfare departments requiring applicants for old age pensions to cash in all their insurance policies and use the surrender values toward their living expenses before pension applications would be considered.

Will Appoint Campaign Committee

The incoming president, S. H. Hadley, was directed to appoint a campaign committee to carry on the fight against taxation of fraternalists, and particularly attempts such as have been made in Oklahoma, Arkansas and Missouri to collect back taxes. In Missouri an attempt is being made to collect premium taxes on the fraternal premiums from 1896, the date at which Missouri began to collect such taxes on ordinary old-line company premiums. While collection of compound interest is not allowed by law, 6 percent simple interest for the 40-year period would amount to a considerable sum. In the case of 1896 taxes, for example, the interest alone would be nearly two and one-half times the amount of the tax itself.

Chances of the fraternalists being excepted from the provisions of the social security act were discussed by T. H. Watters, Jr., of the National Board of Fire Underwriters at the congress meeting.

To be exempt under the social security act, the services rendered by an employee must fall within the provisions of Section 907 (c) (7): "Service performed

in the employ of a corporation, community chest, fund or foundation organized and operated exclusively for religious, charitable, scientific, literary or educational purposes, or for the prevention of cruelty to children or animals, no part of the net earnings of which inure to the benefit of any private shareholder or individual."

Mr. Watters pointed out that a regulation in the act provides that "an organization otherwise within the statutory class does not lose its status as such by receiving income, such as rent, dividends and interest from investments, providing such income is devoted exclusively to one or more of the purposes specified

in Section 907 (c) (7) of the act." The same regulation also includes "corporations or other institutions organized and operated exclusively for charitable purposes comprising, in general, organizations for the relief of the poor."

S. H. Hadley, the new president of the congress, was a banker and before that an educator prior to his election as president of the Protected Home Circle of Sharon, Pa., 12 years ago. He has been a lifelong resident of Mercer county, and was born near the town of Hadley. After teaching in Fredonia Institute, he went to Sharon as school superintendent. From there he went to the McDowell National Bank in Sharon.

Airplane View of the Convention City to which you are coming in September



1. Hotel Statler—Convention Headquarters
2. New England Mutual Life Insurance Company Building
3. State House
4. South Station
5. North Station
6. Custom House Tower
7. Harvard University
8. North Church from which the lanterns were hung to signal Paul Revere in 1775
9. Massachusetts Institute of Technology

■ This Company joins others whose Home Offices are in New England in extending a hearty welcome to Life Underwriters who are planning to attend the National Convention in Boston in September.

NEW ENGLAND MUTUAL LIFE Insurance Company of BOSTON

GEORGE WILLARD SMITH, President

1835 — One Hundred and First Charter Year — 1936

Montreal—Very Impressive and Colorful Canada City

By E. J. WOHLGEMUTH

Montreal, one of the most colorful of American cities, is the financial and insurance capital of Canada, with Toronto a close second. Toronto may in some ways top Montreal but there is a maturity, many-sidedness and solidity about Montreal that make it a real capital and metropolis. There is the French population in Quebec, growing rapidly—large French families are the rule—and destined some say to become the dominant factor in Canada. But the money in Montreal is largely in the hands of the English-speaking Canadians.

There are not so many home offices in Montreal but there is a large number of departments of British and United States companies. The Prudential of London is active in Canada and operates from Montreal. Some of the old British fire companies centralize at Montreal, such as the Atlas, which in its life branch owns the Montreal Life. The Sun Life occupies one of the remarkably fine home office buildings of the world.

The far-flung vision of T. B. Macaulay

is expressed in this building. The son of Robertson Macaulay, who started as an accountant in the Canada Life home office, then at Hamilton, Ont., quit because of differences with one of the other officials, became secretary of a local benefit association, and accepted a job as secretary with the Sun Life at \$250 a month. T. B. Macaulay grew up under the watchful eye of his aggressive, forceful, Scotch father, who started him in the Sun Life at \$100 a year and made an actuary out of him. The elder Macaulay did not start the Sun, though father and son built it up.

Founder of the Sun Life

The founder of the Sun was the Mutual Life of New York general agent for Canada, Mr. Gault, who lost his company when it refused to make the \$50,000 deposit required, by a new law, of outside companies, its reason being that a mutual company has no right to make such deposits. Mr. Gault took the same name for his new company as the one he had been accustomed to work for,

and put the word "Sun" before it. Just why he chose "Sun" none of the historians of the company has been able to find out. The "Mutual" was dropped later on. Mr. Gault, by the way, became quite a figure in Canada. For instance, he promoted the vast Windsor Hotel, which stands across the park from the Sun Life, and which in its day was known North American-wide. The elder Macaulay was given the job in the Sun because it was hardly large enough for Mr. Gault to bother with. And it was learned long after that much to his regret he had accepted the secretaryship of the little company three days before being proffered the secretaryship of the Confederation Life, with which he said he would much rather have gone. T. B. Macaulay, now retired, still comes to the office occasionally, especially to attend board meetings.

Bold Imagination Seen

Canada is a little country so far as population is concerned but geographically it is immense and such enterprises as the Sun Life, Canadian Pacific and others show the bold imagination of some of its leaders. While Sir Henry Thornton of the Canadian National Railway missed fire, the extent to which he was backed by public money shows that the Canadian people are imbued with a whole with the spirit of achievement. This is not to say that they are not good canny Scotchmen in every day affairs.

Montreal is cosmopolitan. It is not just another city. It has over a million people. Its French population loves politics as was shown the other day when the Liberal regime of 40 years was overthrown in one of the scrappiest political battles of years. The French are up and coming. They have had some brilliant leaders. They furnish an element in Montreal that gives it atmosphere and a certain distinction. Montreal alone has about 1,000 French life insurance agents and the Province of Quebec about a thousand more. Seventy-five percent of these do not read English "comfortably," and perhaps half of them do not speak it. Up to 25 or 30 years ago the masses of the French people were content to follow the advice of their priests and their "notaries" in matters of state and business; Sir Wilfred Laurier was their great leader. They went to war with their fellow Canadians, and from this time probably dates their break away from some of their old habits of thought. The election the other day is regarded as quite significant as a step towards taking matters still further into their own hands. They will become factors in Canadian business more and more.

The old Guarantee Company of North America is almost as well known to old-time insurance men by reputation and name as the American Surety of New York. With over \$4,000,000 surplus, it does only about \$200,000 bonding business, mostly fidelity, in Canada. Edward Rawlings, the founder, came out from England in 1853, first as the representative of an English company, to furnish bonding facilities to Canada, which up to his coming had been without them. Today his son, H. E. Rawlings, sits in the president's chair. The company does far more business through its United States subsidiary than at home. Its home office building is immaculate and dignified. The "No Smoking" sign greets one at the door. The president, easily accessible to those who have business with him, presides over the establishment, a carnation in his button-hole, seated at his desk in a rear room on the ground floor. He is, perhaps, of old Montreal. His father bought the original home office building at forced sale many years ago for \$60,000 and it stands the company now at about \$300,000, having been enlarged. In these days of huge home office buildings a \$300,000 one would not be considered extravagant, but Mr. Rawlings thinks "Here is \$300,000 of the company's assets that is not liquid enough."

Montreal Life

General manager of agencies of the Reliance Life of Pittsburgh at the age of 24, President A. P. Earle of the Montreal Life returned to his native

Manitoba's Heath Head of Canadian Officials

Charles Heath of Winnipeg, superintendent of insurance of Manitoba, was elected president of the Association of Superintendents of Insurance of the Provinces of Canada at the Quebec meeting. W. J. Major, attorney general of Manitoba, was chosen honorary president. Arthur Fisher, Saskatchewan superintendent, becomes vice-president and H. D. McNairn, Ontario superintendent, was reelected secretary and treasurer.

The annual convention next year will be held either at Toronto or Ottawa, following the annual meeting of the Canadian Bar Association.

Canada after experience at Pittsburgh and with the Columbian National at Boston and carved out his career as the builder of the Montreal Life, formerly the Travellers Life of Canada. He had started with the North American Life of Toronto, became an actuary, then an agency executive, and finally the head of his own company, which he sold some time ago to the Atlas of London, but still remains the active executive. His company has \$40,000,000 in force and is highly regarded as sound and well managed. He was not with the Reliance Life of Pittsburgh for very long and was a very young man at the time, but he believes he could have made a success with that company had he remained with it. His favorite city in the United States is Boston, which he learned to like while with the Columbian National Life, and he still goes to Cape Cod for his vacations. Mr. Earle is proud of the fact that no Canadian life companies have failed, at least in the sense that no policyholders have lost money through them; a few small ones have gone under but their policies were taken over by other Canadian companies and he expressed the opinion that rather than see a Canadian company fail the other companies would come to the rescue and somehow or other make provision for the policyholders.

Advance Annuity Tax Appeal

DES MOINES, Sept. 3.—Chief Justice Parsons of the Iowa supreme court sustained a motion by the Iowa department in the case of Northwestern Mutual Life vs. Murphy, to advance hearing on the appeal before the full bench in December.

The Polk county district court granted an injunction to restrain the collection of a 2½ percent premium tax on annuity business and held that the state premium tax does not apply to annuity payments or premiums but only to commercial life insurance premiums. The court held, however, that the tax paid on annuity business in 1935 without protest would be held for credit on the 1936 premium taxes of the company on its regular life business.

Allebach Department Attorney

JEFFERSON CITY, MO., Sept. 3.—J. F. Allebach of Kansas City is the new attorney for the Missouri department. He takes the place of P. B. McHaney, who resigned to enter private practice of law and to become a trustee of General American Life. Mr. Allebach was at one time connected with General Exchange Insurance Corporation.

NEW ADVISER IN MICHIGAN

LANSING, MICH., Sept. 3.—Insurance department legal affairs have been assigned to S. S. Greenberg, a new assistant attorney general who has been delegated to the work by Attorney-General Crowley. Earl Burhans, Paw Paw, who had been counsel for the department for some time, resigned recently to campaign for the Republican nomination for the state senate.

W. B. Combs, Portland, Ore., Northwestern National Life—Established new volume record for July with 34 percent gain.

HIDDEN VALUES

By employing Settlement Option Number One a Midland Mutual Life agent recently showed a client how \$10,000 would pay \$15,000. Incidentally this information developed a need and sold \$10,000 additional.

On 31.3% of all 1935 death claims and matured endowments, Settlement Options were used.

Are you calling attention to these "hidden values."

THE MIDLAND MUTUAL LIFE INSURANCE COMPANY

Columbus, Ohio

Lead Officials

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O'Malley Addresses Luke Hart in Warm Fashion

JEFFERSON CITY, Sept. 3.—Superintendent O'Malley, a member of the Knights of Columbus, recently sent a sizzling telegram to Luke E. Hart of St. Louis, supreme advocate of the order, because at a meeting of the supreme council, Knights of Columbus, held in Toronto, Hart voted for a resolution concerning the attitude of Ambassador Josephus Daniels on religious strife in Mexico.

"No one regrets more than I that Ambassador Daniels has not been recalled because of his un-American attitude in Mexico," the O'Malley telegram asserted. "Nevertheless, your action in joining with foreigners and on foreign soil in the adoption of a resolution criticizing, if not denouncing, our government is humiliating to all but possibly a few members of the Knights of Columbus and Catholics in this country. I am sure your action will not be condoned by Governor Landon, your party's candidate for the presidency. The atrocities committed in Mexico are no worse than those committed in Ireland, India, Egypt, South Africa and other parts of the world by the British government. I have never heard of the supreme council protesting against British atrocities."

"You are drawing a salary of approximately \$16,000 a year from the Knights of Columbus. This is a large sum for the order to pay any man for misrepresentation. I have been a member of the order for more than 30 years and have stated repeatedly in the last several years that you and others of your ilk in the order are retarding its growth and are responsible for its failure to function properly."

Hart has declined to comment on O'Malley's telegram. "All he wants is for someone to reply to him so he can make another blast. Let him go," was all that Hart would say.

O'MALLEY AND J. P. SULLIVAN

Mr. O'Malley of Missouri, who was in Chicago to address the agency convention of the Business Men's Assurance, reiterated his threat that at the meeting of the National Association of Insurance Commissioners in Hot Springs, Ark., in December he will demand that James P. Sullivan be expelled

from the meeting room if he should appear there. Mr. Sullivan lately has been attacking Mr. O'Malley in the columns of the "Insurance Index" of Louisville. After the first article attacking him appeared, Mr. O'Malley wrote to Mr. Sullivan, making the threat that he will ask to have him expelled from the Hot Springs meeting. Mr. O'Malley sent copies of this letter to the other insurance commissioners. If the commissioners refuse to expel Mr. Sullivan, then, Mr. O'Malley states, that he will leave the meeting room. Furthermore, Mr. O'Malley indicated that he will bring up the general subject of James P. Sullivan at the time of the executive session of the commissioners.

Security Purchases in '35 Up 28 Percent Over 1934

NEW YORK, Sept. 3.—Leading life companies bought approximately 28 percent more securities in 1935 than in 1934, according to the 1936 edition of Poor's compendium of the insurance purchases and sales. The Equitable Life of New York bought \$722,957,265 of securities in 1935, Metropolitan Life \$572,567,964, and Prudential \$354,287,897.

Following is a table of the 15 largest purchasers:

	1935	1934
Aetna Life (life dept.)	\$ 68,333,000	\$ 40,834,000
Bankers Life, Ia.	46,781,000	35,117,000
Conn. Mutual	46,783,000	35,360,000
Equitable, N. Y.	722,957,000	395,495,000
John Hancock	120,033,000	88,650,000
Mass. Mutual	79,101,000	44,283,000
Metropolitan Life	572,567,000	337,602,000
Mutual Benefit	63,314,000	35,127,000
Mutual Life, N. Y.	157,264,000	75,181,000
New Eng. Mut.	56,113,000	23,270,000
New York Life	248,652,000	270,776,000
Northwest'n Mut.	157,445,000	139,595,000
Penn Mutual	70,781,000	51,348,000
Prudential	354,287,000	301,864,000
Trav. (life dept.)	124,360,000	122,482,000

The figures of the three top companies showed purchases for 1935 totaling 59 percent above their 1934 level.

Home Life General Agents to Gather at Hot Springs

NEW YORK, Sept. 3.—The second conference this year for general agents and managers of the Home Life will be held at the Homestead, Hot Springs, Va., Sept. 10-12. The first conference, held last January, was devoted to the

subjects of recruiting and training. There will be a review of the progress made in these fields. For the first eight months an increase of 5 percent has been made in paid for business.

There will be a liberal representation from the general agents association on the program, sharing the speaker's platform with home office executives and department heads. Approximately 70 representatives from the field and the home office will be present when the conference opens on Thursday morning, Sept. 10. C. C. Fulton, Jr., agency vice-president, and W. P. Worthington, superintendent of agencies, are in charge of the program.

Embry Agents in Chicago

Leading producers of the A. M. Embry agency of the Equitable Life of New York in Kansas City are attending an educational sales conference at the Edgewater Beach Hotel, Chicago, this week. The three day meeting is

Starts 7th Year, Seeks to Get 7 "Apps" for 7 Days

Starting his seventh year with the Atlantic Life, Samuel Silver of Newark will try to write seven new applications for life insurance every day for seven days beginning Sept. 21.

another in a series of district gatherings in the central department of the Equitable.

Vice-president Frank L. Jones of the home office and W. M. Rothaermel, superintendent of agencies central department, were on the program. Other speakers included Agency Manager R. M. Ryan of Detroit and Agency Managers P. B. Hobbs and Warren V. Woody of Chicago.



He Should Never Let Go!

The man who takes seriously the responsible job of "fathering," places his life insurance obligations first.

Some others are not so cautious, and these latter are the great concern of the salesman.

The possible consequences of a surrender or lapse of a policy are so tragic that they are worth exerting every effort to prevent.



The Prudential
Insurance Company of America
EDWARD D. DUFFIELD, President
Home Office - Newark, New Jersey

Ohio State Life Officials



CLARIS ADAMS
President



DR. C. E. SCHILLING
Vice-president and Medical Director

Claris Adams, former executive vice-president of the American Life of Detroit, took his new position as president of the Ohio State Life at Columbus this week. Dr. C. E. Schilling, vice-president and medical director, has been medical director since the company organized and is one of the big factors in the institution.

Gulls Flying to Boston Now Number 100,000,000

The buff and blue "Old Home Week" sticker which appeared last month as identification of activities on the New England convention of the National Association of Life Underwriters has had its fourth printing of 25,000.

Paul C. Sanborn, chairman of convention publicity, says that the 100,000 stickers have been given a nation-wide distribution through life insurance home offices, general agencies, local underwriter associations and, in a few cases, non-life insurance organizations affiliated with publicity plans.

The institutional design, which is intended to be a constant invitation to the convention in Boston this month, has made a recent appearance in poster form. The cardboard display has been sent to focal points about the country as more emphatic evidence of greeting than the considerably smaller sticker.

Mr. Sanborn says that the publicity committee is about to issue automobile stickers for the use of members who will travel to the convention by motor and for use by public and private conveyances available for general use in Boston during "Old Home Week."

These larger stickers, also showing the gull flying down the New England coast to Boston, will measure five by seven inches and may be obtained from convention headquarters at 19 Pearl street, Boston.

New Directory Is Issued

The Underwriters Hand-Book of Georgia-Florida-Alabama is issued this week from the press of THE NATIONAL UNDERWRITER. Heretofore the book has been published jointly for Florida and Georgia and one separately for Alabama. This year the three important southeastern states are combined in a volume that is very complete and up to date, giving full information insurancewise. All the agents in the three states are listed by towns, showing companies represented and other information of interest. It is a handy reference book for all those interested in these three states. The usual company directory is given with full particulars about each one. There is a section giving general agents and managers.

Confer on Housing Loans

OTTAWA, ONT., Sept. 3.—Life insurance companies have conferred with A. C. Dunning, minister of finance, on the question of loans under the Do-

Non-cancellable Field Is Much More Restricted

The non-cancellable disability market is quite limited now since the Pacific Mutual Life denouement. There are five companies writing non-cancellable, but their limits are considerably restricted. No company will write large monthly benefits any more. The companies writing non-cancellable are the Massachusetts Indemnity, 632 Beacon street, Boston; Massachusetts Protective, 16 Chestnut street, Worcester, Mass.; Monarch Life, 14 Maple street, Springfield, Mass.; Loyal Protective, 88 Newberry street, Boston, and Mutual Benefit Health & Accident, Fairley building, Omaha. With the complications that have arisen over the Pacific Mutual, agents are rather hesitant to broker non-cancellable business even though they are pressed by clients. They have been embarrassed by the Pacific Mutual Life's experience and are not taking any chances.

minion housing act. He discussed the comparative lack of interest in the act and was informed that the companies, so far from holding back loans, are very anxious to lend large sums at 5 percent. A committee of the lending companies was appointed to study what, if any, modifications are necessary to create greater interest in the scheme.

Yearbook on Examinations Has Just Come From Press

The Life Office Management Association of New York City has issued its 1936 "Yearbook of Examinations." In the official announcement regarding the institute examinations held in the spring there were 2,085 students, employees of life companies in the United States and Canada registered for 4,766 examinations. There were 103 life companies that registered students this year. In addition there were registrations from state insurance departments, life insurance organizations and universities. There were issued 273 certificates of completion of course 1, "Principles of Life Insurance," and 53 diplomas were granted. Since the institute was organized in 1932 there have been issued 1,202 certificates and 201 associate awards. Eighty-nine candidates for the fellowship awards have successfully completed the minor or major examinations. A syllabus for the institute year, 1936-37, is now in course of preparation. The course has been developed to meet the educational needs of branch and field agency office cashiers and clerical staffs.

Study Proposed Rules of Procedure in U. S. Courts

Insurance attorneys are interested in the proposed rules of civil procedure for the district courts of the United States and the supreme court of the District of Columbia, which were considered in detail at the convention of the American Bar Association in Boston. The rules governing in equity cases have been uniform in the federal courts, but the rules of civil procedure have followed the practice of the state courts. Consequently an attorney moving from one federal court to another, in order to adapt himself, had to become familiar with the local rules of procedure.

Nearly any insurance attorney who has practiced before different federal courts, can tell stories about his em-

barrassment or about unusual incidents due to a failure to understand completely the rules followed by the local judge. Adoption of the proposed rules which were considered by the Bar Association, would facilitate the movement of attorneys from one federal court to another and would undoubtedly make it simpler for home office counsel in its attempts to follow cases in the federal courts throughout the nation.

A local attorney would no longer have an advantage over a foreign attorney before any federal court so far as rules of procedure were to be considered, if the proposed uniform rules were adopted. Insurance attorneys generally have been favorable to the principle of a uniform procedure.

Very few attorneys, except those who have actually done some work upon the new draft of rules, are familiar enough with them to venture any detailed opinions as to the effect upon insurance law practice by individual items. It is thought that the new code, simply because it provides uniform procedure, will tend to increase the number of cases in the federal courts.

No Minnesota Department Change

ST. PAUL, Sept. 3.—The death of Governor Olson is not expected to have any effect on the Minnesota department. The new governor, Kajalmar Petersen, is of the same political faith as the late governor and as Commissioner Frank Yetka was appointed for a six-year term and has nearly five years yet to serve there is no reason to expect any immediate change in the office.

Ohio Policyholder, 96, Has Had Contract 70 Years

COLUMBUS, O., Sept. 3.—Dr. William A. Scott, former president of Ohio State University at Columbus and of Ohio University at Athens, who holds policy No. 62,780, the oldest policy in force in the Columbus office of the Mutual Life of New York, will be 96 this month. He is in good health and his mind is clear.

Mr. Scott took out the policy May 10, 1867, when he was 26 years old. It is a ten-payment life policy having a face amount of \$2,000. He also holds another policy, an ordinary life contract for \$1,000. The total of the ten premiums on the first policy was \$874.20 and this month dividend additions having a cash value of \$786 will make the total cash value \$2,786. Dividends of \$293.02 have been withdrawn, which, if added to the foregoing value, would make a total return over cost of \$2,504. Dr. Scott says his policies have not only provided protection for his family but proved to be a worthwhile investment.

Attend Louisiana Meeting

Walter Cluff, educational director of the Kansas City Life, and Dr. J. E. Bee, associate medical director, will speak at a meeting of J. M. Spangler's Louisiana agents at Shreveport Sept. 4-5.

Transfer Ewell to Terre Haute

G. B. Ewell has been named Terre Haute, Ind., manager by the Empire Life & Accident, Indianapolis. He was formerly manager of one of the home office districts.

William Peglow, for many years manager of Chicago Irving Park for Western & Southern Life, died, aged 65. Remaining at his desk until a few weeks ago, his ill health made it necessary that he seek a leave of absence. He began with Western & Southern as a superintendent at Chicago in 1921, being promoted to manager one year later.

Semi-Annual Statements

(From June 30, 1936, reports to the Georgia Insurance Department)

Company	Capital	Assets	Surplus	Income	Disburse.
Acacia Mutual	\$ 63,001,017	1,523,795	7,358,222	4,504,972
Kansas City Life	1,000,000	84,093,889	7,083,743	8,243,691	5,788,622
United Mutual, Ind.	25,950,449	1,084,804	2,038,555	2,068,336

VISITORS

to the

N. A. L. U. Convention

will enjoy

"OLD HOME WEEK"

in

NEW ENGLAND



HOME OFFICE
BOSTON - MASSACHUSETTS

A NEW ENGLAND INSTITUTION

Data of A. L. C. on Air Cover Survey

(CONTINUED FROM PAGE 1)

when the court so chooses to ignore it, and interpreting any construction of passenger death in connection with 'engage' as conclusive of ambiguity, however, precludes the assertion of such statement, impliedly recognizing the addition of such 'as passenger or otherwise' as making any exception, other than one involving aeronautic expedition, all-inclusive, with a degree of absolute finality."

Growth of the Problem

Mr. Glass reviewed the growth of the problem from the early days of aviation, when life companies with many millions of policies in force began to recognize that flying was creating a great hazard and attempted unsuccessfully to set up in such cases the "hazardous occupation" defense. Liability for air deaths under double indemnity also, Mr. Glass said, needed only the inclusion of an airplane in the category of common carriers to expose companies to great additional liability.

The efforts of life companies to meet this situation by requiring warranties in written applications that the insured did not intend to take any part in aeronautics were checked by a movement in court findings against forfeiture for breach of immaterial warranties, which later appeared in the form of statutes either wholly abolishing or greatly minimizing the effect of the warranty as a matter of law. Mr. Glass discussed in the light of decisions the effect of including in the exclusion clause the words "participate" and "engage," and of "activity" in relation to flying. Inclusion of the phrase "as passenger or otherwise," he found, had the effect of including every passenger in the plane, regardless of whether the insured at the time of the fatal crash was a fare-paying or non-fare-paying passenger or was riding in a private plane or on an established air line.

Ambiguity Cause of Trouble

Ambiguity has caused much trouble, Mr. Glass said. Only on one occasion since the transition of aviation into the occupational category has the "participating in aeronautics" exception clause been considered as unambiguous, and courts have found that failure of life companies to add "as passenger or otherwise" to the exception emphasized ambiguity. Since in case of ambiguous phraseology, courts lean toward the insured, Mr. Glass said, there have been varied and irreconcilable viewpoints on the part of state and federal courts in aeronautical exception clause litigation. He concluded that life companies in all likelihood will be held liable in cases involving any of the millions of policies containing the "engage" or "participate" exception clauses where death results from riding as a casual passenger in either a private or transport plane, although pilots and crew will be included within the exclusion.

The data as set forth by Mr. Glass relates to practices of 171 companies, of which 121 exclude the aviation risk either by rider, policy provisions or stamp; eight refuse to accept the applicant subjected to aviation hazards, under any condition, and 42 are very careful as to acceptance of such a risk but give full coverage if the policy is issued. The rider is the most commonly used form of aviation exclusion, 93 of the 121 companies using rider, 24 policy provisions, three stamps and one both rider and policy provisions.

Mr. Glass found 87 of these companies provide for return of the policy reserve to the beneficiary in case of air death of insured; 26 return the premiums paid; three use both methods, varying according to the individual risk. Study of policy forms of five companies failed to show specific statement as to sum to be returned.

Three general types of exclusions are issued by companies at present, Mr.

Columbus Mutual Life's "Old Guard" Is Honored

At the annual agency convention of the Columbus Mutual Life, Sales Manager J. A. Preston called to the colors the old guard, so to speak, those who had been with the company for many years. They are pioneers and started under the presidency of C. W. Brandon. They are:

Frank Dwyer, Toledo, O., Apr. 8, 1908; George Ferguson, Columbus, O., Apr. 8, 1908; George Abdalla, Lancaster, O., June 7, 1913; H. B. Squibb, Cambridge, O., June 7, 1913; George J. Heinzelman, Chillicothe, O., Apr. 1, 1917; Alvin Bennett, Columbus, O., May 13, 1904; Ivan T. Quick, Cleveland, May 1, 1917; Jerry Dvorak, Cleveland, May 25, 1911; O. E. Domino, Cleveland, Feb. 10, 1913; A. G. Biggins, Minerva, O., Mar. 6, 1917; T. S. Berridge, Gallipolis, O., June 12, 1920; Lee Harlage, Portsmouth, O., Feb. 22, 1917; Myron Hawkins, Charlotte, Mich., May 1, 1920; H. Leugers, Chickasaw, O., Oct. 31, 1914; Frank J. Miller, Tiffin, O., Apr. 1, 1911; C. W. Schaaf, Mt. Gilead, O., Mar. 18, 1918; Horace Tibbals, Cleveland, O., Sept. 10, 1915; Frank Wozniak, Cleveland, O., Mar. 31, 1920; Tom Flattery, Wooster, O., Dec. 13, 1915; Fred B. Hamilton, Bellefontaine, O., Apr. 1, 1915.

Glass said, with variations in some companies. These clauses are:

(1) "Death as a result of service, travel or flight, in any species of aircraft, except as a fare-paying passenger, is a risk not assumed under this policy during the two years following the date of issue; but if within that period the insured shall die as a result, directly or indirectly, of such service, travel or flight, the company will pay to the beneficiary the reserve on this policy."

(2) "Death as a result, directly or indirectly, of service, travel or flight in any species of aircraft, except as a fare-paying passenger on a licensed aircraft piloted by a licensed passenger pilot on a scheduled passenger air service regularly offered between specified airports, is a risk not assumed under the policy; but, if the insured shall die as a result, directly or indirectly, of such travel or flight, the company will pay to the beneficiary the reserve on this policy, less any indebtedness thereon."

(3) "Death as a result, directly or indirectly, of service, travel, or flight in or on any species of aircraft is a risk not assumed under this policy, but if the insured shall die as a result, directly or indirectly, of such service, travel or flight, the company will pay to the beneficiary the reserve on this policy."

Of the 171 companies, Mr. Glass reported, 49 use exclusively clause No. 2, 32 use No. 3 and 36 use both, depending upon the risk. Only three companies use clause No. 1, exclusively, and one company uses clauses 1 and 3.

Modern Woodmen Attacked in Springfield, Ill., Suit

(CONTINUED FROM PAGE 6)

souri department. Missouri has revoked the Modern Woodmen's license.

The plaintiffs, Elmer C. Strother, Emil Ritter, and L. H. Ferguson, ask that the court restrain the defendants from participating in the convention examination on Sept. 8; that the court order an accounting for \$13,187,148.15 expended by the defendants through an allegedly illegal and void contract made in 1929 between F. W. Pearson, and the corporation, and judgment against the officers and directors for the sum; an accounting from the defendants for the alleged wrongful and illegal diversion of \$1,229,082 from the benefit or mortuary fund to the expense fund, and subsequent judgment for it; an accounting from the defendants for the alleged diversion of \$1,755,000 from the benefit to the expense fund and subsequent judgment; accounting for a Kansas City real estate transfer and the subsequent

loss of \$35,000, and that subpoenas be issued commanding the defendants to answer the bill of complaint.

Auto Guest Can Collect

Carrying passengers for a consideration voids the insurance under an automobile liability policy, but it is often a difficult question whether the arrangement entered into amounted to a contract for transportation. In a garnishment case against an insurance company, Reed vs. Bloom, the United States district court for the western district of Oklahoma held the policy was not invalidated.

Four life insurance agents of Oklahoma City intended to go to the Des Moines convention of the National Association of Life Underwriters in 1935. Reed had purchased a railroad ticket and White had made a reservation. Bloom decided to drive to Des Moines and invited White, Reed and Green to go with him. Nothing was said about any charge for the use of the car. However, the three guests decided among themselves, at one of their stops, that they ought to contribute to the cost of gasoline and oil. Each gave Bloom \$10, which he reluctantly accepted.

There was an accident and Reed sued Bloom and got a judgment for damages for injuries. The insurance company denied liability because of the alleged transportation for hire, and garnishment was brought in the federal court against the company. The court held that the payments as described were not sufficient to establish the fact that the defendant was carrying passengers for a consideration, and held the company liable for the judgment.

Massey Wilson, former president and co-receiver for the defunct International Life and connected with other insurance companies at different times, was injured seriously when two automobiles collided head-on near Belleville, Ill. He suffered a fracture of his right leg and other minor injuries.

Cammack Brothers Trod Nearly Identical Paths

The courses of two brothers in the ranks of the John Hancock Mutual are running remarkably identical directions. They are C. W. Cammack, Jr., of Huntington, W. Va., and H. H. Cammack, general agent at St. Louis.

C. W., Jr., was just recently elected head of the Huntington Life Underwriters Association. H. H. is president of the St. Louis association.

C. W., Jr., and H. H. both have C. L. U. designations. Their father is C. W. Cammack, general agent at Huntington, who has been with John Hancock since 1892.

Both sons are married, both have two children—a boy and a girl. Both married girls interested in the theatre. Mrs. Charles, a former ingenue with the Stuart Walker players and a director of home talent plays in Huntington, and Mrs. Howard, well-known in both Huntington and St. Louis for her directing ability.

Both inherit their father's unusual ability to tell a story well, which is only natural, having been brought up in Huntington, the home of one of the most famous story-tellers in the country—Riley Wilson of the famous glass eye. Both are first-class salesmen, both specializing on programming and are well up on business and tax insurance.

Pacific National—Increase of 83 percent in volume in first half of 1936 over same period last year; insurance in force increased 12 percent and assets 2 percent.

J. H. Birmingham, Kansas City, Mo., supervisor Phoenix Mutual Life—Issued business is 181 percent of the 1935 figure and the paid for business shows an increase of 62 percent. August was the best month in new paid premiums in the history of the agency in any August.



OUTSTANDING RELIABILITY

The Institution of Life Insurance was founded on the principal that theirs is the administration of a public trust—that funds entrusted to them must be held inviolate.

The Friendly Company is known throughout life insurance circles as a company of outstanding reliability—a company builded to administer faithfully the money entrusted to her care—a company whose reserves prove her stability. Her record has earned the confidence of the insuring public.

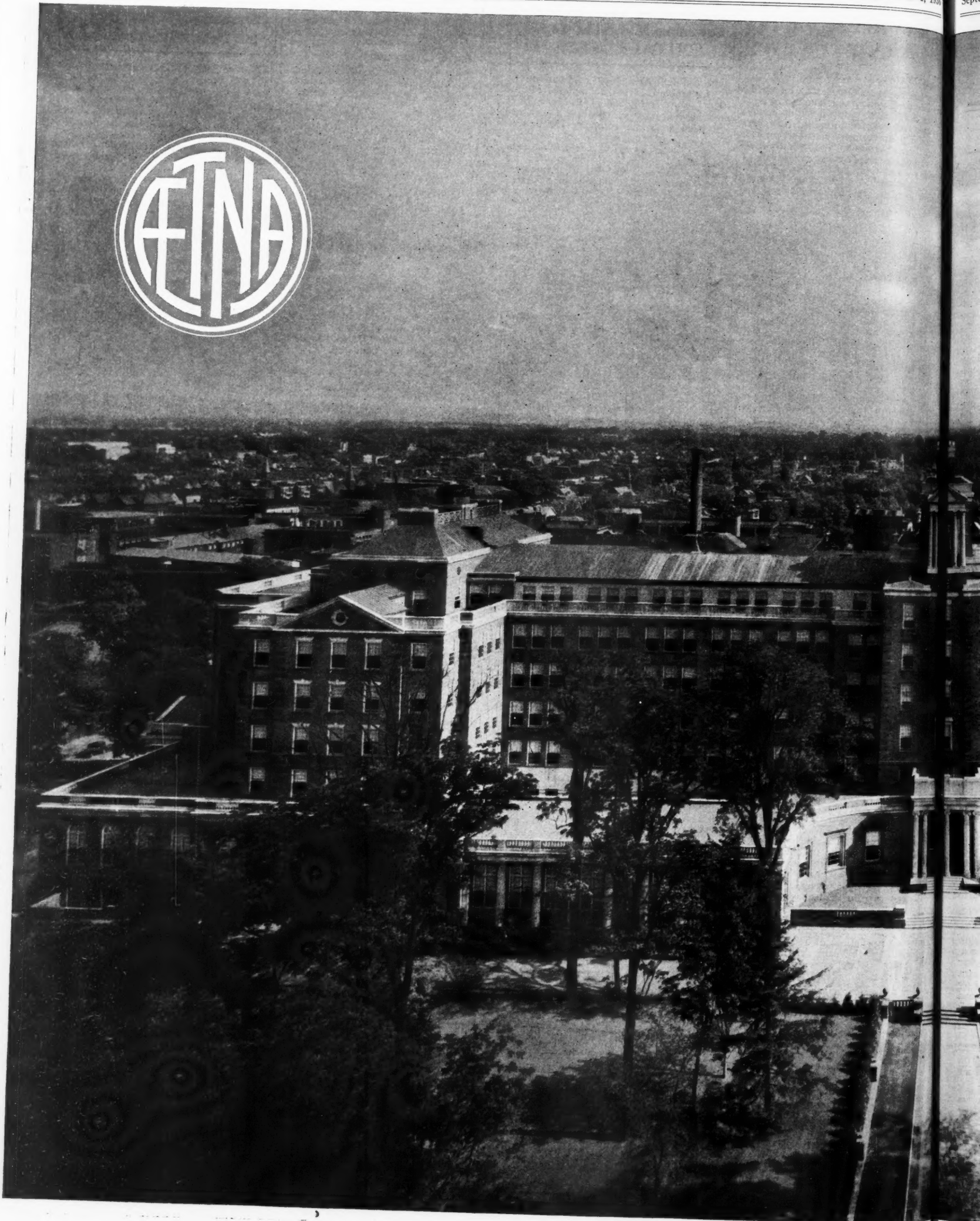
Are you interested in a life insurance connection? Then you will find it pays to be friendly with the

PEOPLES LIFE INSURANCE CO.
"The Friendly Company"

FRANKFORT

INDIANA







EDITORIAL COMMENT

Everybody's Cards on the Table

REVELATION last week by the SECURITIES & EXCHANGE COMMISSION that the president of the F. W. WOOLWORTH COMPANY received \$337,479 in 1934 should indicate to professional complainers that the payment of substantial salaries to company heads is by no means confined to life insurance. The 1934 remuneration of B. D. MILLER, the WOOLWORTH chief, was considerably more than twice as much as any life company's president received.

The publication of salaries paid important business executives, as given out by the SEC, should bring about a more realistic attitude toward the payment of sal-

aries commensurate with the importance and responsibilities involved. Further extension of this thought leads to the conclusion that the reason that life insurance is the subject of critical books and magazine articles is not so much that the institution is conducted on a less lofty plane than any other businesses, but that by reason of conducting its operations entirely in the open, its records are available to any one, not only the person with just criticisms but also for the muckraker and the misguided informer who may draw some inaccurate conclusions from accurate figures.

The Twenty-Six Billionaires

THE New York "Herald-Tribune" lists 26 institutions that are billionaires in that they have assets of \$1,000,000,000 or over. A year previous to that there 23 billionaire institutions. The combined assets of these 26 are \$45,824,178,585. The billionaires are:

Metropolitan Life
Prudential
American Tel. & Tel.
Chase National
Pennsylvania R. R.
New York Life
Standard Oil, N. J.
National City Bank
Guaranty Trust
Southern Pacific
U. S. Steel
Equitable Life, N. Y.
New York Central
General Motors
Consolidated Edison
Bank of Am., N. T. S. A.
Atch., Top. & S. Fe
Cities Service
Mutual Life of New York

Baltimore & Ohio
Commonwealth & So.
Union Pacific
Continental Illinois
Northwestern Mutual Life
Associated G. & E.
Bankers Trust

THE MUTUAL LIFE in commenting on the list says:

"The great amount of money represented by the asset totals is not a vast fund locked away. It employs tens of thousands of people all over the United States and flows into industry and commerce both in investment and in direct wages and as part of the monetary system furthers progress of American business and helps sustain advance made all along the line of industrial and cultural improvement. The vast aggregate of the assets of the billionaire companies is not the money of 26 companies—it is the accumulated savings and investments of millions of our people, a dynamic fund owned by them and operating in their interest."

Good Agents Produce Good Business

At two life company conventions recently the question of selection at the source was brought up, first at the AETNA LIFE meeting by W. H. DALLAS, assistant to the vice-president, who is head of the underwriting department at the home office, and next at the COLUMBUS MUTUAL LIFE convention by DR. W. A. JAQUITH, medical director. Both men in commenting on the work of agents remarked that high grade agents produce high grade business.

While an agent naturally is in life insurance to make a living and desires to make as good a one as he can, yet, when he does his work well and conscientiously observes the rules of the company so far as he can interpret them in

offering risks, his record is recognized. Mr. DALLAS said, for instance, that a rejection ratio of 10 percent or under is regarded as good.

A rule that might be followed to advantage would be for the agent to judge from his standpoint and decide whether he would accept the risk if his money were involved. Let him place himself as best he can at the head office in the underwriting and medical departments, and with his knowledge of the prospect, not technical to be sure, would he insure the prospect? The agent with a good record is favored on border line cases.

It is of great advantage for an agent to have the reputation at a head office for careful selection, conscientious dis-

charge of his duties and the observance of the ordinary requirements. Companies keep a record of agents and at a glance on a card can ascertain what their percentage of rejections is, what their lapse

ratio is, etc. This all counts sometimes at periods when there may be a question as to just what to do. In cases of that kind, Mr. Dallas stated, the agent with a good record gets the "break."

PERSONAL SIDE OF BUSINESS

W. T. Grant, president of the Business Men's Assurance of Kansas City, Mo., went to Chicago last week to attend the annual agency convention of his men. He was taken down with an infection in his foot which required him to go to his bed and get medical attention. Therefore he had to keep away from the agency activities for the most part although he appeared at the final session with his foot in a sling.

At a tea Friday afternoon of last week in West Hartford, Conn., Mrs. S. T. Whatley, wife of the vice-president of the Aetna Life, announced the engagement of their daughter, Betty, to Frank Reed Busch, of Farmington, Conn. Miss Whatley is a charming, vivacious young woman, who was one of the most popular debutantes when she was introduced in society in 1932 when her parents lived in Chicago. Mr. Whatley then being manager of his company there. Betty Whatley attended the Chicago Latin School for Girls in Chicago, Les Fourgeres in Lausanne, Switzerland, and the Goodman School of Dramatic Art in Hartford. Mr. Busch is a graduate of the University of Vermont.

F. L. Conklin, vice-president of the Provident Life of Bismarck, N. D., and Mrs. Conklin have returned from a two months' trip through England and France.

Members of the John P. Wolf agency of the Old Line Life of America at Elkhart Lake, Wis., and home office officials from Milwaukee paid tribute to Mr. Wolf at a gathering there to celebrate his 25th anniversary with the company. President John E. Reilly presented Mr. Wolf a 25-year service pin. Other officers attending were H. A. Woodward, manager accident and health department; Paul A. Parker, agency director, and F. J. Chandler, assistant director.

Achieving membership in the Quarter Million Club of the Union Central Life with a meager four months' experience in the business is the record of Paul Ford of the J. W. Rivers agency of the Union Central in San Francisco. An "All-American" football star while a student at the University of Texas, he entered the Rivers agency last April without previous life insurance experience, his average case not exceeding \$2,500 and only one \$25,000 policy.

Carl Schulz, former vice-president and secretary of the Union Mutual Casualty and Union Mutual Life of Des Moines, has gone to Los Angeles to join his brothers, William, Jr., and Herman R., also former officials of the two companies, in business there.

Nathan H. Weed of New York City, editor of the fire insurance department of the "Weekly Underwriter," died Thursday afternoon of last week at the home of his son, N. H. Weed, Jr., at Merrick, L. I. He is survived by his

widow and two sons, Newell P. and Nathan H. A third son, Walter, was killed during the war.

Mr. Weed, one of the veteran insurance magazine men of the country, was a son of the late Samuel R. Weed of the New York insurance firm of Weed & Kennedy. He was born in St. Louis, Aug. 1, 1868, and was educated at Adelphi College.

He started as an insurance reporter for the New York "Times," later became associate editor of the old "Vigilant" of New York, an insurance magazine. In 1896 he went to St. Louis and became head of the "Western Insurance Review." Later he published the Chicago "Independent" and changed its name to the "Life Insurance Independent." This became one of the leading life insurance monthly papers. In 1920 it was sold to the Rough Notes Company of Indianapolis, publisher of the "Insurance Salesman," with which the "Life Insurance Independent" was combined. Mr. Weed went to Indianapolis to become connected with the merged paper. In 1927 he became associated with the "Weekly Underwriter" and for a time was editor of the "Insurance Almanac."

Miss A. V. Bowyer, Pacific Coast editor of THE NATIONAL UNDERWRITER, has been reappointed chairman of highways and waterways of the San Francisco City & County Federation of Women's Clubs. Recently Miss Bowyer was elected president of the Cooperators, one of the leading women's clubs of San Francisco.

E. D. Duffell, president of the Prudential, has been appointed to the National Citizens Committee which will assist in promoting a nation-wide campaign to enlist support of voluntary welfare services in 330 cities. Hendon Chubb of Chubb & Son, prominent New York marine office, is vice-president of the Community Chests & Councils, which does the administrative work for the mobilization.

For the benefit of those who may have business to take up with Owen B. Hunt, insurance commissioner of Pennsylvania, during his vacation, his address is: Ballyglass, Coonacool, Tubbercurry, County Sligo, Ireland.

Nephi L. Morris, secretary-treasurer and one of the founders of the Pacific National Life of Salt Lake City, has been reelected president of the Sons of Utah Pioneers, a state-wide organization of large membership, which he helped to organize a year or two ago.

C. H. Hatton, 56, veteran Wichita, Kan., insurance man, died suddenly while on a business trip. He served as general agent and later as field supervisor of the Equitable of Iowa for 15 years, leaving the company in 1917. He later was associated with Austin Stone and Howard Snyder in the Stone, Hatton & Snyder agency in Wichita, severing his connection to form the People's Finance

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Company and other finance organizations but still continuing a local agency. He was international president of the Lions Club in 1932-33, having served as an international director for several years.

B. H. Dobbin, regional supervisor of the group department of the Travelers in New York City, died in a hospital at Stamford, Conn. He had been ill there for about a week, following a heart attack. Mr. Dobbin had been with the Travelers for about 17 years.

Newly a grandfather, **James E. Woodward**, vice-president Life of Virginia, points with pride to grandson James Woodward Lipscombe, born in Richmond to Mr. and Mrs. R. T. Lipscombe, Jr. Mrs. Lipscombe was formerly Miss Leila Frances Woodward. Mr. Lipscombe is an agent in the Richmond ordinary agency.

President **H. A. Behrens** of the Continental Casualty and Continental Assurance of Chicago will arrive home from his summer residence on Belvidere Island in San Francisco Bay, Tuesday of next week. He will then prepare for the 25th anniversary meeting of the Continental Assurance to be held in Chicago starting Sept. 16. Starting the afternoon of Sept. 18, members of the president's top club of the Continental Assurance will be guests of Mr. Behrens for a week's outing and a trip to Bermuda.

M. E. Wilson, third vice-president of the Empire Life & Accident of Indianapolis, who has been ill for some time, is regaining his health at Little Barbee Lake, Ind.

M. W. Young, assistant secretary and manager of the policy department of the Great Southern Life, died Aug. 23, following a brief illness. He became connected with the Great Southern in August, 1918, at the time of the reinsurance of the Oklahoma National Life. He held numerous positions from time to time in the company.

Barr L. Smith, 67, died at his home in Little Rock, Ark. He went to Little Rock in 1889 and established an agency of the American National Life, which he operated as superintendent until 1920, when he retired.

Dr. John S. Turner, 70, medical director of the Southland Life, died at his summer home in the Ozark Mountains near Fayetteville, Ark., of a heart attack following a fall in a bathtub. Funeral services were held Monday at his home in Dallas. Dr. Turner played a prominent part in the fight against the meningitis epidemic in Dallas in 1911-12, giving up his private work to direct a campaign against the disease.

Dr. Turner was appointed medical director of the Southland Life in 1909, prior to which he was in private practice and achieved a reputation as consultant on mental and nervous diseases. He is thought to have been the last of the original officers of the company. He was president of the state medical association in 1912-13 and was a trustee for 20 years. For three years he was a member of the board of councillors of the American Psychiatric Association.

Funeral services for **Frederick A. Winans**, 72, were held on Monday in South Orange, N. J. Mr. Winans retired about a year ago from the Prudential, where he had been employed for 42 years. At the time of his retirement he was assistant manager of the claim department.

Dr. W. R. Ward, medical director of the Mutual Benefit Life, has returned from northern Labrador. He reached Battle Harbor and made a number of expeditions from there, finding much of interest in the native life. He has taken a number of pictures, particularly of the Mission Moraves, an isolated people to

Twenty-five Years in Insurance Field Work



MISS SARA FRANCES JONES

This month marks the 25th anniversary of the location of Sara Frances Jones of the Equitable Life of New York in Chicago with that company. Miss Jones started with the Equitable as a substitute stenographer in the office of Gage E. Tarbell when he was vice-president and head of the agency

whom have been sent teachers and physicians and others from the lands to the southward.

Dr. S. S. Huebner, professor of insurance at the Wharton school of commerce and finance, University of Pennsylvania, and president of the American College of Life Underwriters, is now at Atlantic City, preparing to undergo a tonsilectomy prior to the opening of the new school term.

Eleven **Kansas City Life** agents have maintained their "app-a-week" standing for over six years. John Huckstep, St. Louis, and F. P. Kinder, Washington state, both have had an "app" a week for 7½ years. Mrs. Bessie Dale of Oklahoma has produced an "app" a week for 6½ years.

Neil D. Sills, manager at Richmond for the Sun Life of Canada, who served as national president in 1912-13, plans to attend the annual convention of the National Association of Life Underwriters in Boston as a representative of the Richmond association.

J. A. Brosseau of the Metropolitan Life publicity staff, died in Ottawa, Ont., aged 67. He was a former newspaper man and was for two years president of the parliamentary press gallery.

John L. Hindelang, secretary-treasurer and general manager of the G. H. Beach Co. of Detroit, secretary of the Qualified Life Underwriters and its representative on the Life Underwriters Council of Michigan, has returned to his office after a seven weeks' serious illness from complications following an appendicitis operation.

A. C. Williamson, manager of the Prudential's Golden Gate ordinary agency in San Francisco, on Sept. 12 will complete 30 years' continuous service with the company. Starting as agent shortly after graduation from Yale, he was appointed district manager in the Philadelphia ordinary agency in 1908, and in 1913 became manager at Detroit. He was appointed manager of the Philadelphia ordinary agency in 1919, and in 1934 went to San Francisco.

department at the home office. Later she became secretary to the late Gerald F. Brophy, who was superintendent of the insurance department at the head office.

Began Production Work

Outside of office hours Miss Jones wrote business and became quite a producer. The late Ada C. Sweet was head of the women's department of the Equitable in Chicago and was having difficulties in making it go. The company sent Miss Jones to the city to become supervisor in the agency, she being the first woman supervisor that the company appointed. Later on she became head of the department. Then the women's department as a unit was dissolved and the women were attached to different agencies. Miss Jones is now connected with the H. A. Sloan agency and last week Mr. Sloan gave a luncheon in her honor.

Miss Jones is not a sporadic writer. She produces some \$500,000 to \$700,000 a year and consumes much time in giving service to policyholders. She has a splendid knowledge of the business and her counsel is of the best.

Prominent in Organizations

In addition to her work with the Equitable she has been prominent in organization activities. She was the founder of the women's division of the Chicago Life Underwriters Association in 1935 and served as its chairman. This was the first division organized. She was then a member of the women's committee of the National association. She is now chairman of the national women's underwriters committee and will preside at the meeting of that division at the Boston convention of the National Association of Life Underwriters. Miss Jones has been successful in having women's divisions started this year in Boston, St. Paul, Minneapolis, Washington, D. C., Portland, Ore., and Syracuse. Miss Jones has attended almost every National associa-

tion convention during the last quarter of a century. In her earlier experience she and the late Miss Florence E. Shaal of the Equitable Life at Boston were the only two women who were present.

First Woman C.L.U. in Illinois

Miss Jones was the first woman C. L. U. in Illinois. She was the first woman to graduate from the Chicago Life Trust Institute. At the time she became a C. L. U. she was made a member of the million dollar round table.

Her years have been filled with service. In addition to her professional work Miss Jones travels quite extensively and is popular socially. She is one of the outstanding women life salesmen of the country.

"Indicator" to Be Sold

The controlling interest in the "Indicator," Detroit insurance periodical, is being offered for sale following the death of Miss E. L. Spoor, president and manager for many years. The publication was founded in 1882. Some years ago Miss Spoor served for a long period as corresponding secretary of the Life Underwriters Association of Detroit before it became the Qualified Life Underwriters.

Claris Adams, who assumed his new duties as president of the Ohio State Life Sept. 1, after having been executive vice-president of the American Life of Detroit, Mrs. Adams and their family were entertained at a round of social events in Detroit just prior to their departure for Columbus. Mr. and Mrs. Adams were honored at a dinner party given by Mr. and Mrs. E. D. O'Leary of Grosse Pointe. Mrs. Adams was given a farewell luncheon by the College Women's Club and Miss Jane Chamberlain gave a buffet supper to 40 young people honoring Miss Genevieve Adams.

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NEWS OF THE COMPANIES

Progress by Life of Detroit

Notable Advances Reported by New Company in Its First Six Months of Operation

DETROIT, Sept. 3.—The Life of Detroit has made excellent progress in its first six months of operation, President Thomas F. Lawrence reported to the directors at their first semi-annual meeting. Formed six months ago to succeed the old Detroit Life, its resources as of June 30 were \$7,823,108, Mr. Lawrence said.

They include \$308,338 cash on hand and in banks; \$772,090 government, public utility and railroad bonds; \$1,338,729 loans to policyholders; \$2,572,136 liens on Detroit Life policies and \$462,271.06 net due and deferred premiums.

Liabilities include \$6,574,583 reserves on policies; \$259,025 reserves for taxes, interest paid in advance and expenses and \$388,047 for other liabilities. Real estate mortgages and mortgage bonds

are carried on the books at \$1,264,182, the present appraised value, which in some instances constitutes a reduction of 60 percent or more from original values. Real estate on the same basis is listed at \$987,043.

The position of real estate holdings acquired by foreclosure of Detroit Life loans has been improved considerably by the general improvement in business conditions in Detroit, Mr. Lawrence declared. Rents have been raised and premises owned by the company are virtually 100 percent occupied.

"We are taking advantage of the present favorable conditions to dispose of some pieces of property at a profit to the Detroit Life Fund which, of course, is to the advantage of those policyholders having an equity in the fund," he said. "These include both the policyholders of the old company who transferred to the new, and those who are keeping their old insurance in force."

Illinois Examinations Made

The Illinois department has made an

examination of the State Protective Mutual Benefit of Stewardson, showing assets \$2,393 and liabilities \$770. The examination was of June 1. From Jan. 1 to June 1 the income was \$3,799 and the disbursements \$3,354.

The department has made a report on the Economy Mutual Benefit of Neoga, Ill. The examiners say that more care must be exercised in maintaining the books and records. All claims must be settled in accordance with the provisions of the certificates. The practice of arbitrarily reinstating members must be discontinued. They must be reinstated according to the by-laws. Membership must be increased immediately to meet organization requirements. From Jan. 1 to July 1 the income was \$1,250, disbursements \$1,207. It has assets \$1,227 and no liabilities.

Midland Life Reinstatements

Reinstatements of the Midland Life showed a 12 percent improvement for

the first seven months as compared with a year ago, with 15 percent improvement in the volume reinstated. The cash received on reinstatements was 24 percent greater than in the same period of 1935.

Aetna Life Statement

The semi-annual statement of the Aetna Life shows assets \$523,236,791, net surplus \$16,761,076, capital \$15,000,000, total income \$68,823,749, disbursements \$53,807,712.

The Family Mutual Life & Benefit Association of Los Angeles has changed its name to Southwestern Life Insurance Association.

Some August Figures

The Charles B. Knight agency of Union Central Life in New York paid for \$1,588,02 in August as against \$1,773,223 and for \$14,522,336 in the first eight months as against \$19,986,490.

AMONG COMPANY MEN

Several Changes Made by Metropolitan Ottawa Office

Several promotions are announced by the Canadian head office of the Metropolitan Life at Ottawa. Five new agency sales instructors have been named, including James W. Bowen, Joseph P. Durocher, Albert Leboeuf, George A. Robinson and James C. MacGregor.

Mr. Bowen has been with the Metropolitan since 1927 and since April 2, 1934, has been assistant manager at Humber. Mr. Durocher began as agent in the Ottawa district in 1921, and with his new appointment leaves the position of assistant manager at St. Jean. Mr. LeBoeuf began as an agent in the St. Denis district in 1924 and since November, 1934, has been assistant manager at Papineau. Mr. Robinson began in the Halifax agency and on Aug. 15 completed his 15th year of service with the company. Mr. MacGregor joined the company in 1931 in Toronto and made an outstanding record in both ordinary and industrial production. Since 1933 he has been assistant manager of that agency. Edgar Trahan, formerly an agent in the Quebec office, has also been promoted to assistant manager in that district.

Successor to the posts vacated by the new sales instructors are: Toronto, assistant managers, H. W. Ward and G. H. D. Bryson; assistant manager, Humber, Alvin E. Brown; assistant manager at St. Jean, Omer McGraw; Halifax, H. J. L. Mosher, and assistant manager at Papineau, Jean LeBoeuf.

L'Estrange Takes New Post

G. A. L'Estrange has resigned as head of the accident and health claim department of the Illinois Bankers Life to become associated with the Wisconsin National Life of Oshkosh as manager of its accident and health department. He was connected with the former Abraham Lincoln Life for more than 13 years, much of which time was spent in agency organization and sales work.

"Jerry" L'Estrange has a wide acquaintance and is well and favorably known in the accident and health field. He has had a broad experience in every department of the business, including agency, underwriting and claim work. He has been active in affairs of the Health & Accident Underwriters Conference and International Claim Association.

Gardner Ends Agency Tour

W. R. Gardner, supervisor of the Atlantic Life, is back at the home office, following a trip to Cleveland, Toledo and Detroit, where he visited agencies of the company. On his return trip, he stopped off at Huntington, W. Va.

Dr. Wear in New Post with Aetna Life on West Coast

Dr. Donald B. Cragin, medical director of the Aetna Life, announces the appointment of Dr. J. W. Wear of Kansas City as medical referee for the Aetna Life Pacific Coast agencies.

Previously with the National Fidelity Life of Kansas City, Dr. Wear has had wide experience both in insurance medical supervision and in agency work. He was born in Lathrop, Mo., Sept. 17, 1891. He took his medical work at the University of Nebraska and his internship at the University Hospital, Omaha. He took a post graduate course at Harvard Medical School. He went from there into private practice in Nebraska. Locating permanently soon after in Omaha he was retained by several large companies in a medical capacity. Among them were several insurance companies, the Commonwealth Life, Guarantee Mutual of Omaha, Equitable of New York and Prudential. He became vice-president and medical director of the National Fidelity Life in 1925. In 1932, he was given charge also of National Fidelity's agency department.

As west coast medical referee for the Aetna Life, Dr. Wear will be responsible for the selection of doctors and the supervision of all medical matter, except for actual medical underwriting, in the Aetna Life Pacific Coast agencies.

Kingery Assistant Actuary

The Life of Detroit has appointed J. C. Kingery assistant actuary. He was an honor graduate of Dartmouth and obtained a master's degree in the actuarial course at the University of Michigan. He was formerly with the actuarial departments of the American Union Life of Missouri and the American Old Line Life of Nebraska.

Interest in Washington Primaries

Much interest is being taken in the primary elections in Washington next Tuesday due to the contest for the commission in both Democratic and Republican ranks.

Commissioner W. A. Sullivan is being opposed for the Democratic nomination by G. E. Stokes, life insurance man of Seattle. The Republican candidates are C. B. White, Seattle local agent, Col. G. B. Lamping, also an insurance man of Seattle, and J. O. Rummens, who was formerly a deputy commissioner.

W. R. Atkinson, Chattanooga, United Mutual—For year ending Aug. 15, increased paid-up business 60 percent, with collections of 99.5 percent.

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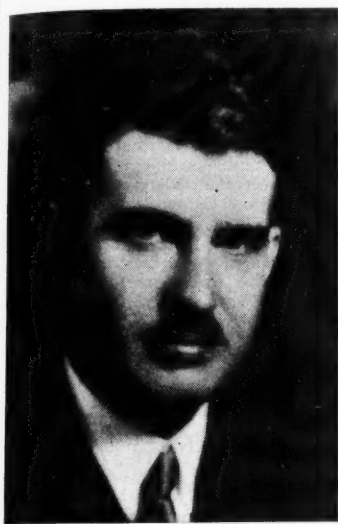
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LIFE AGENCY CHANGES

Olmsted Goes to Providence

Production Manager of Mutual Benefit Life Agency at Detroit Gets General Agency Promotion

Robert E. Olmsted, since 1934 production manager for the Detroit agency Mutual Benefit Life, has been appointed general agent for the company at Providence, R. I. Mr. Olmsted succeeds E.



ROBERT E. OLMSTED

Squire Latimer, who returns to field work in his native state of Ohio.

The Mutual Benefit has been continuously represented in Rhode Island since 1845—the year of its founding—when S. C. Blodgett was agent there. In the following year Mr. Blodgett was formally appointed district agent for the state. The first general agency for Rhode Island was established in 1900 at Providence.

Mr. Olmsted has had six years of personal production and seven years of management experience. He entered the life insurance business in 1923 with the Alexander E. Patterson agency of the Equitable in New York City and by 1929 had led the agency in paid premiums for two years. In 1929 he went to Chicago as supervisor for Mr. Patterson when the latter became general agent for the Penn Mutual, built a production unit from scratch which produced better than \$2,000,000 in its second year.

Promoted to General Agent

In 1932 Mr. Olmsted was promoted to a Penn Mutual general agency in Detroit, which in 1934 showed a 114 percent gain in production the first six months, as compared with the same period of 1933. In September of that year he joined the Johnston & Clark agency of the Mutual Benefit at Detroit as production manager. He is a C. L. U. and has taken a prominent part in organization affairs, serving as president of the Detroit C. L. U. chapter for 1933-35, as director, 1933-34, Associated Life General Agents & Managers Association of Detroit, and this year, vice-president and chairman educational committee Qualified Life Underwriters.

Homann with Mutual Trust

Carl J. Homann, Jr., for ten years with the Massachusetts Mutual Life in Milwaukee, has been appointed manager for the Mutual Trust Life of Chicago in Madison, Wis., affiliated there with Reitan-Lerdahl & Co., general agents of the Mutual Trust Life. He will spend a portion of his time in Milwaukee for a year and then plans to move permanently to Madison to devote his entire time to his new duties.

Two New Guardian Managers

Ben E. Glasgow Is Appointed at Memphis and G. M. Reem at Detroit by N. Y. Company

The Guardian Life has appointed Ben E. Glasgow as manager at Memphis and G. M. Reem as manager at Detroit.

Mr. Glasgow succeeds J. M. Russell, who desires to devote his entire time to personal production, but will continue with the title of associate manager. Mr. Glasgow has been at the head office of the Guardian Life nearly two years and has spent considerable time in the field. He is a native of Alabama.

Mr. Reem entered the business at Saginaw, Mich., and moved to Detroit in 1929. He was president of the Life Underwriters Association of Saginaw and has been a director of the Detroit association.

Mr. Reem has been connected with the State Mutual Life agency in Detroit of which Guy A. Reem is general agent.

O'Callaghan Memphis Manager

J. E. O'Callaghan has become manager of the Memphis ordinary agency of the Prudential, succeeding J. E. Lippitt, who was killed in an automobile accident. He served three years as assistant manager of the agency, which covers Arkansas and west and middle Tennessee.

Promotions at Oakland, Cal.

L. K. Newfield has been appointed associate general agent of the Penn Mutual Life in the L. J. Duncan agency at Oakland, Cal. Mr. Newfield has been with the company for eight years. He went to Oakland from the Sacramento

Takes Over Supervision of Three Western States



MARSHALL B. SIMMS

Marshall B. Simms, agency supervisor of the Continental Assurance of Chicago for Wisconsin and Minnesota, is also taking on the work of Iowa, giving him three states, and he will assume his tri-state duties Oct. 1, following the silver anniversary convention in Chicago. Mr. Simms is a Chicago native, having been born there in 1905. He started with the Continental Assurance in 1923 immediately when he graduated from high school. He was athletic in his high school career, playing baseball, basketball and football. After eight years training in the home office fundamentals he became agency supervisor for Wisconsin in 1932. Minnesota was added to his field in 1935.

office in January, last year. He has led the Pacific coast in production for four years.

Paul A. Knox, who joined the agency in September, 1933, has been made educational director. He has been a consistent leader in volume for the last three years.

Stevens to Fidelity Mutual

The Fidelity Mutual Life has appointed Fred C. Stevens of Holyoke manager for western Massachusetts, with offices in Holyoke and Springfield. He is a graduate of the United States Naval Academy and Worcester Polytechnic Institute and has been associate general agent of the Connecticut Mutual Life at Holyoke for two years.

Bishop, Jr., With Father

J. W. Bishop, Jr., son of the manager of the home office agency of the Volunteer State Life, who has just graduated from the University of Chattanooga, will be in his father's office for a year and later will go to an eastern school for a year in economics, returning to the field in Chattanooga at the expiration of his course.

Wallace to Guarantee Montreal

George M. Wallace has been appointed general agent for south central Nebraska, comprising five counties, by the Guarantee Mutual Life of Omaha. He is a native Nebraskan, having been born in the state and graduated from the state university. He has been in life insurance work a number of years.

Joins Bankers National

The Bankers National Life of Montclair, N. J., has appointed R. J. O'Brien assistant field supervisor for the dollar monthly plan department. He was born and raised in Connecticut, and won considerable fame while playing football for Trinity College. After his graduation he joined the Travelers, and represented it in several offices as assistant

Change in Kansas City by Home Life of New York

P. B. Turner of Kansas City has been appointed general agent of the Home Life of New York in that city. He has been a highly successful personal producer for the Connecticut Mutual in Kansas City for the last seven years. He led his agency in production in his first year in the business and never relinquished the lead.

He is a graduate of Missouri University and upon graduation in 1923 entered the sales field for a feed and grain firm. He advanced to executive sales manager in the Kansas City territory before entering insurance.

He has been active in organization work in Kansas City and is vice-president of the Kansas City Association of Life Underwriters. He was chairman of the publicity committee for Life Insurance Week this year, and in a similar capacity served the Missouri Society for Crippled Children.

Mr. Turner succeeds Wiley E. Pendleton, resigned.

In 1932 Mr. O'Brien became interested in field work and joined the Connecticut General as brokerage supervisor covering the New York territory. He will develop this special department of the Bankers National in the Eastern states.

Michigan Offices Merged

The Ypsilanti and Detroit offices of the Michigan agency of the Ohio State Life have been merged in larger quarters at 700 United Artists building, Detroit. H. E. Van De Walker is Michigan state agent.

Name Biggle & Ball at Tacoma

The general agency of Biggle & Ball, Tacoma, Wash., has been contracted by

FOR RENT

IDEAL SPACE FOR INSURANCE OFFICE

Modern Fire Proof Four Story Building

- Light and Air on Four Sides
- Elevator Service
- Rapid Transportation to Loop and North Shore Suburbs
- The North Shore National Bank of Chicago Located on First Floor of Building

Present tenant, a Life Insurance Company, is moving to its own building making third and fourth floors (about 20,000 square feet) available to right party at moderate rental on

HOWARD STREET JUST WEST OF THE "L"

Apply to:

Howard Malvern Building Corporation

1737 Howard Street, Chicago, Illinois

Phones: Wabash 0272; Sheldrake 5220

the Capitol Life of Denver. L. A. Biggle and E. W. Ball are partners in the agency. Mr. Biggle is a law graduate of the University of Washington and has been in the insurance business in that state since 1911. Mr. Ball entered insurance work in 1925.

Strobeck New General Agent

Leon D. Strobeck has been appointed general agent at Syracuse, N. Y., by the Columbian National Life. He has been with the Massachusetts Mutual for a number of years. His agency is moving

to larger and more convenient quarters in the Hills building.

Life Agency Notes

Carmen Garza, secretary to the late J. P. Devine, Union Central manager at Cincinnati, has joined the I. B. Jackson agency of the Massachusetts Mutual, Cincinnati, in the Lebanon, O., territory. Miss Garza was secretary to Mr. Devine 10 years.

The H. A. Chipman agency of the Equitable Life of New York at **Columbus, O.**, has established a new unit with Charles Roubush as manager. Mr. Roubush has been group supervisor in the agency for a year.

SALES MEETINGS

Alliance Life Holds Meeting

Honor Men Are Entertained by the Officials of the Company at Chicago

With the entertainment in Chicago of its entire field organization, the Alliance Life of Peoria appropriately launched its new production year. Prac-



M. A. KERN
President Alliance Life

tically the entire roster of general agents, managers and supervisors as well as a large delegation of field men was present to enjoy an outing at Lincolnshire Country Club near Chicago and to hear plans for the year as outlined

by President M. A. Kern. Report of a successful sales campaign on the recently adopted "Triple Alliance Policy" and instruction in a new annuity program were presented by Agency Director B. W. Boyd.

Presidents Club Entertained

Members of the President's Club, the leading producers, were entertained for the week end at the Edgewater Beach Hotel. At a luncheon meeting, officers for the club year assumed their positions, with Frank L. Noel of Campaign, Ill., number one producer, honored with the presidency of the quarter million group. Vice-presidents, in ranking order of their production honors, were W. H. Luellen, Peoria, Fred W. Johnson, Terre Haute, Ind. and R. H. Weaver, Watseka, Ill.

In the second division of the President's Club Charles Reinecke of Streator, Ill., was honored with the presidency with ranking vice-presidents as follows: Gottfried Kueffer, Oklahoma City, Okla., E. W. Gitz, Freeport, Ill., and Herb L. Regan, Joliet, Ill.

President Kern, in his address announced that qualifying members of the President's Club next year will be guests for a week at an exclusive north woods resort.

Aetna Holds Western Rally

Leading Producers Gather at Lake Tahoe; Many Home Office Men on the Program

More than 100 leading producers of agencies of the Aetna Life in California, Washington, Oregon, Montana, Utah, Colorado and Texas were guests of the company at a western regional meeting at Lake Tahoe, Cal. Among home office men who took an active part in the

program were: R. B. Coolidge, superintendent of agencies; A. H. Hiatt, Jr., assistant superintendent; Dr. D. B. Cragin, medical director; Dr. J. W. Wear, medical referee; N. M. DeNezzo, supervisor field service; W. C. Cousins and Edwin H. Snow, agency assistants, and Earle R. Carter, assistant supervisor.

Clark A. Moore, general agent at Oakland, presided at the first business session which was opened with an address of welcome by Mr. Coolidge. Others appearing on the opening session were Messrs. Hiatt, Snow and Dr. Cragin.

Agents Give Talks

The second session was presided over by Paul Green, general agent at Seattle. Six agents gave brief talks on "How to Get Prospects," as follows: E. G. Flanagan, Tacoma; J. W. Dunn, El Paso; Hugh Robinson, Oakland; Paul Delos, San Francisco; George Henselman, Portland and F. P. Law, Los Angeles. A playlet "Wonderwriting or Blunderwriting" was presented by home office representatives, this session closing with an address by I. F. Cook of Hartford. Budd C. Long, general agent at Spokane, served as toastmaster at the banquet following the regional golf tournament.

W. M. Hammond, general agent at Los Angeles, presided over the third business session which featured a series of assorted angles on "getting attention and getting action," by the following agents: Jerry Hall, Los Angeles; A. E. Flamer, San Francisco; V. John Kreihbiel, Los Angeles; W. O. Reed, Oakland; J. S. Marshall, Spokane; A. G. Bowman, Los Angeles; D. P. Morgan, Los Angeles; P. S. Gram, San Francisco; W. V. Power, San Francisco; R. L. Graham, Los Angeles; J. W. Hagerty, Los Angeles, and W. A. Albert, Seattle. The meeting closed with addresses by Messrs. Cousins and Coolidge of the home office staff.

Other general agents attending were: James Tullis, Butte, Mont.; J. S. Edwards, Denver; A. L. McKnight, El Paso; J. E. S. Buchanan, Portland, Ore.; J. T. Butler, Salt Lake City; F. Crook Whately, San Francisco; P. R. Green, Seattle; and P. M. Snider, Tacoma. Mrs. Clark A. Moore was official hostess for the ladies' entertainment which included a tea on Thursday afternoon, boat trip Friday morning and bridge tea Friday afternoon.

B. M. A. Club Hears O'Malley

Missouri Insurance Superintendent Addresses Gathering in Chicago—Grant Performs Despite Disability

W. T. Grant, president of the Business Men's Assurance, got a big hand from those attending the "All Star" convention of his company in Chicago when he insisted on appearing the final day, despite the fact that he was suffering from an infected foot. He had remained in his hotel room the previous day.

Mr. Grant introduced R. E. O'Malley, insurance superintendent of Missouri. Mr. O'Malley praised the Business Men's Assurance and then proceeded to tell something about his big fight with the fraternal societies. He dwelt on the fact that Major L. C. Stark was the successful candidate for the Democratic nomination for governor, despite the fact that the fraternal societies assembled all their resources in an attempt to defeat Stark. The defeat of the fraternal societies proved, he said, "they have been going for years on a bluff." He meant by that that the fraternal societies have been claiming to have great political strength when as a matter of fact in a test they were not able to make much of a showing. "This will be a great victory for 'sound insurance' throughout the United States," Mr. O'Malley averred. He expressed the belief that candidates for office in other states will no longer take the fraternal into consideration and those officials who believe fraternal societies should be sub-

jected to more rigid supervision and requirements will not hesitate to make their ideas effective.

J. C. Higdon, vice-president and superintendent of agents, presided at the final day's session. The principal speaker was H. M. Greaves, professor of public speaking at Yale University, who has been employed by the Massachusetts Mutual to instruct its agents on how to speak. He made a big hit and divided his talk into two sections with an intermission between.

The convention closed with a banquet.

To Celebrate 85th Birthday

Phoenix Mutual Agents Gather for Conference at Hot Springs, Va., Sept. 7-9

Bruce Barton, noted advertising man and writer; Col. F. D. Layton, president National Fire of Hartford and Phoenix Mutual Life director, and Henry H. Kohn, president Morris Plan Life, will address the 85th anniversary agents' conference of the Phoenix Mutual Life at Hot Springs, Va., Sept. 7-9. There have been 221 agents qualified to attend from all parts of the country. Members of the home office staff, managers and supervisors will take part, Vice-president D. Gordon Hunter, in charge of agencies, presiding.

President Arthur M. Collens will speak at the first day's session on "Fulfilling Our Heritage." Other home office officials who will talk are Vice-presidents M. C. Terrill, A. H. Yost, Howard Goodwin and J. R. Larus, Dr. R. L. Rowley, medical director, and J. A. Giffin, assistant agency manager. Talks by leading salesmen and presentation of plays by the home office, New York uptown and Boston agencies also will have prominent places on the program.

The 85th anniversary dinner will be held Sept. 8. President Collens will be the principal speaker. The 75th and 80th anniversaries also were observed at meetings in Hot Springs, Va.

The Phoenix Mutual reports 21 percent gain in paid for and issued business the first seven months and is showing substantial gain in paid premiums and insurance in force.

Occidental Life Gathering

Los Conquistadores and Leading Producers Clubs in Session at Lake Tahoe, Cal.

Approximately 150 Occidental Life of Los Angeles agents and company officials attended the three-day agency convention at Lake Tahoe, Cal. A conference of general agents and branch managers was held the first night with C. S. Rathbone, agency secretary, presiding. The new agency control records were explained by R. H. Belknap, assistant agency secretary. Gene Waddle, agents' counsel, reviewed his field experience in handling various agency problems. Mr. Rathbone discussed the new agents' training plan.

The first meeting of the Los Conquistadores Club was held the following morning with Vice-President V. H. Jenkins presiding and also the chief speaker. He outlined the company's growth since 1906, stating insurance in force now is \$277,000,000. D. L. Clarke, executive vice-president, discussed the financial position, there being no bond in default. In the evening agents held a roundtable discussion of problems with G. V. Shipley, home office representative, in the chair.

At the second morning meeting C. E. Cleaton, president of the club, presided. Agency Secretary Rathbone talked on new sales aids. A highlight was the talk on "Invading the Orient with Occidental," by P. M. Anderson, general agent at Shanghai. He touched on amusing differences in custom.

C. H. Tookey, associate actuary, announced and described changes in

OUR LEADERS

1. Low Cost Preferred Risk
Ordinary Life—Family Income—Adjustment
2. Retirement Income Endowments
Income @ 55, 60, 65 or 70
3. Juvenile Education Endowments
4. Attractive General Agent's Contract

Philadelphia Life Insurance Company

111 North Broad Street
Philadelphia, Pa.

Occidental contracts and the rate-book effective Oct. 1. Verner Leckie, first vice-president of the club, who won through a very high persistency ratio, explained how programming and tying needs to contracts help keep business on the books. M. R. Nyman, manager San Francisco branch, talked on use of family income rider to increase the average policy. A. M. Anderson, Los Angeles, described his one interview system of programming.

Thursday evening the Leading Producers Club held its banquet. Officers are: President, P. M. Anderson; vice-president, C. E. Cleeton, and second vice-president, Jack Gordon, San Francisco.

Other Talks on Program

At the final session I. C. Cunningham, superintendent of agencies, presided. D. R. Tolman, general agent at Santa Barbara, talked on use of selling tools. J. S. Green, assistant branch manager, Portland, Ore., spoke on advantages of selling with settlement options. Howard Hoyt, agency department, discussed package selling and presented the Occidental illustrated talk on the salary extension policy. C. E. Cleeton talked on the C. L. U. study course. The session concluded with a talk by Mr. Cunningham summarizing the program and suggesting an agents' creed to guide club members. The club banquet followed, Vice-President V. H. Jenkins presiding.

Equitable Life of New York Has Del Monte Conference

Approximately 150 agents of the Equitable Life of New York in the San Francisco Bay area are attending the tri-agency educational conference of the company being held at Del Monte, Sept. 2-4. Representatives of the J. A. Sullivan and A. W. Carne agencies at San Francisco and the Peter Murman agency of Oakland are in attendance.

Among those who appeared on the opening session, at which Manager Carne presided, were: James C. Fulton, discussing "Today's Opportunities"; Gault Davis, "System and Mental Attitude"; George Mortensen, assistant manager Murman agency, "Planned Approaches"; Sam W. Coombs, assistant manager Murman agency, "Organized Sales Presentations"; John J. Valentine, assistant manager Carne agency, "There Must Be a Reason"; Ragle W. Lynn, "What Interests the Bigger Buyer." The second session over which Manager Sullivan presided was to include: Peter Murman, "A Righteous Cause"; Winthrop O. Hearsey, divisional group manager, "Group Insurance"; Miss Edna E. Joslyn, "A Woman's Viewpoint"; Lester H. Ferguson, "The O. E. C. H. W. Success Creed."

Among home officials appearing on the program were: William J. Graham, vice-president; Franklin R. Amthor, supervisor of agents' training, who was to discuss "Income Insurance," and William H. Glines, superintendent of agencies western department, on "Observations." Following the Del Monte meeting the home office officials will go to Los Angeles where similar conferences will be held at Catalina, Sept. 8-10 for representatives of the Kellogg Van Winkle and Alex. Dewar agencies in Los Angeles.

Boissard Cites Enduring Nature of Life Business

The annual conventions of agents of the National Guardian Life of Madison, Wis., are largely social occasions. Much care is given to the entertainment and recreational plans and the officers and their wives seek to make the affair go just as if it were a private party in their own home. The "Guardsmen's" convention in Chicago last week was most enjoyable. There were no special business meetings, but Vice-president Richard Boissard, Agency Manager Paul

Cranefield, Assistant Agency Manager Schmedeman and others were available for conferences.

President George A. Boissard went to Chicago for the banquet. On either side were seated the wives of the two leading producers. Mr. Boissard spoke briefly, saying that insurance is an enduring business since so long as there are families the bread winner must look to their protection. He urged agents in their selling to shift the emphasis from principal amount to the income proceeds that policies will provide. The need for insurance is constant, he said, but the application of it varies with economic developments. For instance, he pointed out that before the day of the motor car, a man did not have to think of leaving enough money to maintain a car for his family, but today a car is regarded as a necessity in practically all homes. There are other developments and it is important for the agent to be on the alert.

Protective Life Club Plans

Quality business will be stressed more than ever before, the Protective Life of Birmingham announces in promulgating 1937 rules for its Protective Club, members of which have just returned from a tropical cruise. Production of \$100,000 in business entitles an agent to membership, but extra points are offered to agents who conserve the business they write. Lloyd Johnson of Tuscaloosa, as leading producer, is serving his third term as president.

Herbert Baum, manager of the home office agency, with a renewal record of 89 percent, led all other agents in this respect for the past year and automatically became secretary of the Protective Club.

Nolen Spence, agent at Rome, Ga., won the contest for "stay-at-homes" during the Protective Club cruise.

Cunningham Heads Amico Club

D. W. Cunningham of the Houston branch office of the American National of Galveston is the new president of the Amico Club by reason of his production the past year. He is a salary savings specialist and has just completed his third year as a member of the App-a-Week Club.

American Citizens Convention

With about 65 Ohio agents in attendance, the American Citizens Life of Columbus held its annual agency convention at Buckeye Lake. Among the speakers were President W. H. Fledderjohan, Vice-president C. L. Corkwell, Vice-president C. C. Kunkle, Actuary Carl J. West and Secretary Edwin Fledderjohan.

Central of Iowa Meeting

The Central Life of Iowa will hold a two-day agency school followed by a one-day sales conference for Illinois and Indiana agencies Sept. 17-19 at the Hotel LaSalle in Chicago.

Chattanooga Agency Winner

The Shenandoah Life's Chattanooga office was awarded a silver loving cup for having produced more paid business in May than any other district, at the company's annual convention. The drive was in honor of Charles E. Ward, agency vice-president.

Midland Life Club Meets

Forty-one agents and home office officials attended the Leaders Club convention of the Midland Life at Colorado Springs. Aside from three brief business sessions, the convention was given over to sightseeing drives and entertainment.

Daniel Boone, president; O. C. Thornton, agency secretary, and L. H. Vetter, secretary and actuary, attended from the home office.

The agency convention of the Southland Life will be held at Dallas Nov. 2-4.

AS SEEN FROM CHICAGO

ILLINOIS MANUAL IS OUT

The new manual of examination for agents and brokers who must qualify under the new Illinois license act has come off the press and is being distributed as quickly as supply will permit. Agents and brokers in the Chicago territory may secure copies from the insurance department branch in A-2044 Insurance Exchange building, while those downstate can secure them from the department headquarters in Springfield. Copies will be distributed free to candidates, but it is stated a nominal charge may be made for general distribution due to the fact the printing appropriation may prove to be inadequate.

The manual has been awaited by hundreds of agents and brokers and the Chicago branch of the department reported its first supply was exhausted rapidly. The manual includes 490 questions and answers covering 10 classifications of the insurance business, with 23 general questions. Questions are classified in the sections as follows: Life insurance, 63 questions; accident and health, 81; fire and allied lines, 61; casualty, 62; automobile, 40; fidelity and surety, 58; workmen's compensation, 30; marine, inland marine and transportation, 49; mutual benefit associations, 37, and burial insurance societies, 16. The booklet contains 85 pages.

The issuing of the manual was somewhat delayed due to the fact that several revisions were made in the various sections. The original draft was submitted to companies and agents for study and suggestions as to improvement before the final form was adopted. In the life section, the 69 questions in the original draft were cut to 63; fire and allied lines, cut from 66 to 61; casualty, cut from 68 to 62; automobile, from 45 to 40; fidelity and surety, cut from 62 to 58, and workmen's compensation, cut from 33 to 30. The manual opens with an introduction explaining the purposes and uses of the questions, reviewing details of qualification requirements and examination procedure. Then comes a

list of the provisions of the licensing act, followed by 23 general questions covering various subjects such as insurance contracts, premiums, various types of insurance, types of companies and other subjects of a general nature. Many questions in the various classifications have been taken from the manual prepared by the Ohio insurance department for agents and brokers qualifying under the act in that state.

* * *

MCKINLEY DISCUSSES INVESTMENTS

A. A. McKinley, former attorney from 1912 to 1916 and now general counsel for several insurance companies, spoke at the meeting of the H. C. Hintzpetter agency of the Mutual Life in Chicago on "The Investment Portfolio of Life Insurance Companies." He told of company operations and gave essentials of sound institutions, which, he said, agents should know in order to teach prospects how to differentiate between sound and unsound companies. There were 86 agents present, Manager Hintzpetter presiding and introducing the speakers. Mr. Hintzpetter is entering his 49th year with the Mutual Life and heads one of the outstanding agencies.

* * *

CAPERTON HOST AT OUTING

J. C. Caperton, general agent of the State Mutual Life, 1 North La Salle street, was host to some 25 leading general agents and managers of Chicago at an all-day outing held at Kill Deer Country Club. This was a get-together designed to promote closer cooperation. A heavy rain forced elimination of the golf tournament, but the guests played bridge and otherwise disported themselves in the clubhouse. Informal dinner was served, Mr. Caperton being toastmaster.

* * *

CHICAGO Y. M. C. A. COURSE

Roy L. Davis, will again give the course in "Life insurance principles and practices" at the Central Y. M. C. A. College of Chicago, beginning Sept. 24



MIDWEST'S BIGGEST "LITTLE" COMPANY

Agents' Direct Mail Advertising Help

- 1 30-year record of stability.
- 2 Compact operating territory—closer cooperation.
- 3 Agency-minded home office personnel.
- 4 5th among Iowa companies in Iowa business written, 1935.
- 5 Wide range of modern policies.
- 6 Men and women written on equal terms.
- 7 Agents' direct mail advertising help.

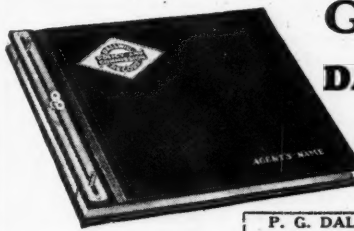
Choice territories now available—Write

THE OLD LINE

Cedar Rapids Life
INSURANCE COMPANY

Cedar Rapids, Iowa

Colonel C. B. Robbins, Pres.
C. B. Svoboda, Secy. — Jay G. Sigmond, Vice-Pres. & Agency Director



Get Organized

With the Standardized
DALLWIG RECORD

For over 10 years
the standard Policy Register for life underwriters!
No complicated bookkeeping. Just a quick, simple, common sense method of bringing before you at a glance all the facts relating to your business.

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Complete with 75 Record
Sheets, Special Index, and
Special BINDER with my
own name in gold on the
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IT HAPPENED!



AND We WILL PAY THE HOSPITAL BILL

YOU know a good proposition when you see it. What do you think of this:

We pay \$50 per year surgical benefit for each \$1000 of insurance and the annual cost is only \$1.00 for men (per \$1000 of insurance) and \$1.50 for women.

This covers all major surgical operations and also provides substantial dismemberment benefits, paid in cash.

A big seller at \$1.00 per \$1000 of insurance? You bet it is! That's why we thought you would like to know about it.

Write J. DeWitt Mills, Vice Pres., for your copy of "Field Features". Desirable territory available in Mo., Ark., Okla., Texas, Colo., Nebr., Wyo., Utah, Calif., and Florida.

CENTRAL STATES
LIFE INSURANCE COMPANY
3663 Lindell Blvd. St. Louis, Mo.

Outstanding
by any
STANDARD
of
COMPARISON



FOUNDED 1854

and continuing 18 weeks. Mr. Davis, who is manager of the life department of W. W. Durham & Co., is a past president of the Chicago Association of Life Underwriters and is recognized as a forceful and efficient instructor. The course is divided into three parts, functions of life insurance, policy contracts and sales methods. It is sponsored by the American College of Life Underwriters and leads to the degree of C. L. U. Classes will be held every Thursday evening at 5:55.

INSURANCE STOCK QUOTATIONS

H. W. McKinney of G. L. Ohrstrom & Co., Board of Trade Building, Chicago, gives the following quotations on the stock of life companies:

	Par	Div.	Bid	Asked
Aetna Life	10	.60	32 1/2	33 1/2
Bank. Nat. Life	10	1.00	21	25
Build. Life, Ill.	1	...	1 1/2	3
Central Life, Ill.	10	...	9	...
Cent. States Life	5	...	3	...
Columbian Natl.	10	4.00	85	95
Conn. Gen. Life	10	.80	41	43
Cont. Assurance	10	2.00	37	39
Farm. & Traders	100	10.00	210	225
Fed. Life, Chgo.	10	...	8	...
Glard Life	10	.40	10 1/2	12 1/2
Great Nor. Life	10	...	4	...
Great South. Life	10	2.50	33	35
Life & Cas., Tenn.	10	2.00	18	...
Life of Va.	20	3.00	75	85
Lincoln Natl.	10	1.20	28	29
Natl. Life & Ac.	10	1.60	65	75
New World	10	.40	7	8
Northw. Natl.	5	...	14	16
North Amer.	10	1.00	22	25 1/2
Ohio National	10	1.00	22	25
Ohio State Life	100	10.00	225	...
Old Line Life	10	.60	16 1/2	17 1/2
Pacific Mutual	1	...	1 1/2	2 1/2
Peoples Life, Inc.	10	.60	18	36
Philadelphia Life	10	...	3 1/2	4 1/2
Prov. Life, N. D.	10	.80	12	...
Rockford Life	10	...	4	...
Sun Life, Can.	100	...	440	460
Travelers	100	16.00	560	570
Union Central	20	1.20	35	45
Wisconsin Natl.	10	.50	16	18

TWO CHICAGO MEN HONORED

Two Chicago general agents of the Fidelity Mutual Life were honored at the annual convention of the company's leaders club at Hot Springs, Va., this week. J. H. Brennan of the Brennan agency was elected a director of the club and also took a prominent part in

the program, while D. J. Cranston of the Cranston agency was named second vice-president of the club.

Mr. Brennan has had all his life insurance experience with the Fidelity Mutual, having been associated with it 12 years, and has been head of his present agency since July a year ago. The agency has shown consistent progress, at present having 14 men under contract. Mr. Brennan has been active in the leaders club for the past eight years, having been secretary in 1935, vice-president in 1932 and serving terms as a director. He gave a talk on prospecting at the Wednesday session and was also keynote speaker at the banquet honoring top producers. Two other men, Donald Nash and Paul Ries, also qualified for the convention from the Brennan agency.

Mr. Cranston, who was made second vice-president of the club, in addition to his duties as general agent, has been a successful personal producer. He joined the Fidelity Mutual about two years ago, after having been with the Equitable of New York in Chicago for 13 years, 10 years of which were with the Barber agency. Supervisor F. E. Cripe, who also was formerly with the Barber agency, joined Mr. Cranston in the opening of the agency. It now has 10 men under contract and has shown consistent progress, reporting a substantial increase in volume thus far in 1936.

GREAT WEST LIFE OUTING

Earl M. Schwemm of Chicago, agency manager of the Great-West Life, is having an educational outing for his agency at Delavan Lake, Wis., this week, the qualification being based on business in July and August. There are 12 agents in attendance.

The Chicago agency had an increase of 70 percent paid business in August over the similar month the year before. Up to Sept. 1, its business shows a 40 percent increase. Starting Sept. 22, the agency intends to continue its outdoor advertising campaign, using 80 billboards in Chicago and vicinity.

PACIFIC COAST AND MOUNTAIN

California Ruling Clarified

Insurance Department Will "Entertain" Claims for Credit on Reinsurance Premiums Paid in 1935

SAN FRANCISCO, Sept. 3.—The division of insurance of California has not, as indicated in published reports, ruled that credit will be allowed companies on account of reinsurance premiums paid in 1935 to insurers admitted in California, which were disallowed as deductions from gross premiums received on business done in the state that year, such claims to be made in annual statements of insurance done in California in 1936. The division has, however, said that it will "entertain" claims for credit on account of these reinsurance premiums and that such claims, together with the 1936 transactions, will be subject to the same conditions and treatment as were applied to 1935 business under the decision in the case of Connecticut General Life vs. Johnson. The division's statement is in accordance with its order issued Feb. 7, 1936, and transmitted to all insurers at that time.

In that decision it was held that "to prevent unjust discrimination, the state may not allow the exemption for reinsurance paid to an authorized company unless and until it is in a position to claim its uniform percentage of such reinsurance premiums so as to give it in the aggregate the equivalent of the percentage on the original gross premiums paid to the insurer."

As previously reported, the division will prepare a form of annual statement of business done in California in 1936, which will contain a special column for

the entry of such reinsurance premiums heretofore disallowed, segregated according to reinsurers, and will furnish to each insurer involved a list showing the reinsurance premiums disallowed, segregated according to reinsurers, as well as other items disallowed, if any.

In other words, claims for credit on account of reinsurance premiums paid are in each case allowed as deductions from gross premiums received on business done in the state in 1935 to the extent only that corresponding gross premiums are reported by the reinsurer or reinsurers involved, as having been received by it or them on reinsurance policies constituting business done in California in 1935. Where, however, there is a difference between the figure reported as paid and the figure reported as received by reinsurer, the difference may be entered in the special column to be provided and added to the deductions the following year and the division of insurance will "entertain" these claims for credit.

Commissionership Fight in Washington Waxing Warm

SEATTLE, Sept. 3.—Although the race for Washington insurance commissioner is in its pre-primary stage, it developed some fierce competition this week when C. B. White, Seattle agent and past president of the Insurance Agents League of Washington, who is running on the Republican ticket, fired a broadside at W. A. Sullivan, Democratic incumbent. He charged Mr. Sullivan with playing politics in the National Convention of Insurance Commissioners, while neglecting to look after the policyholders' interests. His statement was

sent to daily and weekly newspapers throughout the state and was widely published.

Mr. White cited the Pacific Mutual Life's difficulties and said Mr. Sullivan recently addressed a letter from Los Angeles to all Pacific Mutual policyholders in Washington, advising that he was at the company's home office looking after their interests.

"He traveled across the continent innumerable times under the guise that he was checking up on insurance companies and protecting local policyholders. His expenses were paid by the taxpayers of the state. If Sullivan was traveling around the country investigating the financial condition of the companies admitted in this state, why didn't he do something about the Pacific Mutual before it collapsed?" Mr. White asked. The release to the Washington papers gave some of the details of the Pacific Mutual trouble.

Says Life Companies Must Pay

SALEM, ORE., Sept. 3.—Life insurance companies operating in Oregon are not exempt from payment of the premium tax for the support of the state fire marshal's office, Attorney General Van Winkle holds.

The tax was originally intended to apply only to fire and allied lines of insurance but an amendment to the law removed the limitation as to the class of companies and the state is now endeavoring to collect from life, casualty and accident and health companies, although the activities of the fire marshal are of no advantage to them.

AGENCY NEWS

Gillis Agency in Congress

Home Office Men Address Members of Newark Organization of the Provident Mutual

NEWARK, Sept. 3.—Inspirational and educational talks were given at the one-day sales congress of the Alexander F. Gillis agency of the Provident Mutual Life here, which started a fall campaign to end on Dec. 31.

Malcolm W. Williams, assistant agency manager at the home office, pointed out the fact that if life agents started off by insuring the lives of people when they were still in their "teens," it would be followed up by additional sales when the young people entered college and then when they entered the business world. This chain, as it were, places an agent in a position to have prospects at all times.

Nelson A. White, advertising manager, termed his brief message "The Man on the Buyers' Side." He said the man who makes the best hit is the man who is best prepared. The man who places himself in the prospects' place, who has confidence and persistence and is not afraid, will make his way in selling life insurance.

Now that vacation days are over, it is a good time to take inventory and "see where we are going," said Louis F. Paret, general agent in Camden, N. J., and Philadelphia. To build up a prestige takes time and much planning. One of the most important things, said Mr. Paret, is the building up of a center of influence.

Luck and Breaks

Luck and breaks exist in every line of business, including the life insurance field, but they should be ignored, said Prof. Irvin Bendiner of the Wharton School of Finance, Philadelphia. "Build up your own technique. One can be very forceful by being very simple. Think out a course of action of the things you are trying to do," said Prof. Bendiner in conclusion.

A luncheon was held in the Down Town Club, Newark, which was attended by all members of the agency force. The annual outing of the

agency will be held Sept. 11-13 at Pocono Manor, in the Pocono Mountains, Pa. There will be a number of outdoor sports and prizes will be awarded the winners. The wives of members have been invited to attend the affair, which promises to be one of the largest in the history of the agency.

Holds Million-Dollar Luncheon

A "million dollar luncheon" celebrated the achievement of \$1,000,000 of new business paid for by the Detroit city agency of the American Life of Detroit, Jan. 1 to Aug. 31. This goal was achieved by fifteen producers, most of them new men in the business. None has been associated with the agency longer than 14 months.

M. C. Gardner, agency manager, presided and complimented his agency force on its record. Congratulations were also extended by J. S. Garman, vice-president and agency director; E. H. Marshall, eastern Michigan supervisor of agents; Byron Ayres, western Michigan supervisor, and Raymond Roland, out-of-state supervisor.

Has Long Average Service

The Herbert A. Hedges agency of the Equitable Life of Iowa in Kansas City reports the average length of service of all full time agents, in both Kansas City and out-of-town territory, is 14½ years, and for the 10 agents in Kansas City, 15¾ years. The agency has five out-of-town representatives. In the "Equilowan" advertising and selling campaign, during the first four weeks agents had 449 interviews. Out of this number 46 never had heard of the company, 196 had heard of the company but had not seen the advertising; 200 had seen the advertising and reacted favorably, and seven had seen the advertising but reacted unfavorably.

Settlement Options Slide Rule. \$1.50. Diamond Life Bulletins, 420 E. 4th St., Cincinnati.

WOODMEN OF THE WORLD

Six Modern Legal Reserve Contracts

- Ordinary Life
- Twenty Payment Life
- Endowment at Seventy
- Twenty Year Endowment
- Family Income
- Juvenile

These contracts are participating, and provide all standard non-forfeiture options.



Operating for forty-six years in California, Oregon, Washington, Colorado, Idaho, Montana, Nevada, Utah, and Wyoming.

Write for particulars and open territory to

PETER F. GILROY, President
1447 TREMONT PLACE
DENVER, COLORADO

LEGAL RESERVE FRATERNALS

Health Education Is Needed

Dr. H. Z. Hibshman in Fraternal Congress Talk Urges Greater Efforts to Prolong Life

The initiation of a whole hearted cooperative educational plan to aid in reducing unnecessary insurance loss due to premature death, was advocated by Dr. H. Z. Hibshman, chief medical examiner, National Council, Junior Order American Mechanics, in his talk before the medical section of the National Fraternal Congress in New York City. Dr. Hibshman presented an analysis of more than 10,000 deaths in the fraternal field and urged that statistical information of the causes of the many thousand deaths be developed by the fraternal insurance group.

Of the 10,440 deaths studied, Dr. Hibshman pointed out over 50 percent are in the cardio-vascular-renal group, totaling 5,781. Cancer numbered 874, or about 8½ percent. He pointed out that wherever cancer can occur, many prospective victims can be saved through education. Pneumonia of various types caused 841 deaths, the third largest group. Accidents of all types were responsible for 655 deaths, 410 being due to automobile accidents. The survey covered the period from 1934 through the first half of 1936.

Traumatic Deaths Numerous

Commenting on causes of death nationally, he stated traumatic deaths annually account for 5 to 15 percent of the total. Whereas railroad and farm accidents years ago were near the top, first place now goes to accidents in and about the home. Automobile accidents are also among the most prominent causes and as a solution of this problem he urged an intelligence test, eye examination and closer inspection of physical incapacities. Deaths in industry, he observed, can much better be prevented by stricter laws and more stringent enforcement. Despite great advancement, tuberculosis still claims too big a percentage of deaths. Education, he said, is the only remaining avenue of attack in further extension of longevity.

Program of Education

Dr. Hibshman urged greater attention to a constructive program of education to lower the death rate. He pointed out that whereas the average age of all human life 150 years ago was 16 years, it is over 50 now, and, through medicine and constructive effort, it should reach 70. He declared that fraternal insurance societies are in an admirable position to carry out an educational program. There is opportunity through special fraternal journals to spread a broader knowledge of the art of living well. Articles on disease and health, the advocacy of periodic health examination and of a saner and less rabid and wasteful living, are weapons of immense importance.

Ronan of Maccabees Dies

F. E. Ronan, auditor of the Maccabees, Detroit, died after an illness of two months. He was 55 years of age and had been associated with the Maccabees 35 years, for a long time as head of the auditing department.

O'Malley Summons Fraternalists

Superintendent O'Malley of Missouri has summoned various executives of fraternal societies to confer with him in small groups beginning Sept. 10. Mr. O'Malley states that he desires to get from the fraternalists a statement of their "attitude." He will probably demand that they immediately agree to conform to certain of his demands, especially that they discontinue writing the "open contract" and that they pledge themselves to support an insurance code

bill, embracing regulation of fraternalists. If the fraternalists refuse to meet these terms, it is likely that their attitude, expressed at these conferences, will be contrasted by Mr. O'Malley during the present political campaign with his own attitude toward the fraternalists.

Bohemian-American Union

The Illinois department has made a report on the Bohemian American Union, 1436 West 18th street, Chicago, a fraternal. It writes life insurance on the legal reserve basis. The examination was as of March 1. The assets are \$263,233, surplus \$25,485, reserves \$229,426. The examiners say that the cash position is deemed ample for current operating needs. The investment portfolio while consisting primarily of mortgages and real estate contains sufficient marketable bonds for liquidity. Its expenses are maintained at a minimum. The mortality has been high. Claim payments are made promptly. It is licensed only in Illinois. It has in force \$1,124,657.

Now Michigan Union Life

The New Era Life Association of Grand Rapids, Mich., has changed its name to Michigan Union Life Association. No other changes were made in management, policies or organization. The association starts its 40th year Oct. 20 and it has some 16,000 policyholders who were nearly unanimous, it is reported, in favoring the change of name.

Gleaners Enlarge Home Office

A three-story addition is being erected by the Gleaners that will almost double the available space in the home office building at 5705 Woodward avenue, Detroit. The addition at the rear of the present structure is of stone and brick

Chosen Vice-President of Fraternal Congress



MRS. DORA ALEXANDER TALLEY

Mrs. Dora Alexander Talley, president of the Woodmen Circle of Omaha, one of the prominent factors in the National Fraternal Congress, was elected vice-president of the latter at the annual meeting. She completed two years as a member of the executive committee. Mrs. Talley was elected head of the presidents' section of the congress a year ago. Women are prominent in fraternal circles and Mrs. Talley is one of the most useful.

construction to harmonize with the present building and will be occupied some time in September.

The A. O. U. W. of North Dakota

Writes
All Forms of Modern Life Insurance Contracts

ORDINARY LIFE
LIMITED PAY
ENDOWMENTS
FAMILY INCOME
JUNIOR INSURANCE
DOUBLE INDEMNITY

Non-cancellable Sickness and Accident Insurance.
Operating on a Legal Reserve Basis

Home Office - Fargo, North Dakota

BRADLEY C. MARKS
Grand Master Workman

E. J. MOORE
Grand Recorder

NEWS OF LIFE ASSOCIATIONS

Kansas President Plans to Visit Local Associations

WICHITA, Sept. 3.—Riley G. Cunningham, president of the Kansas Life Underwriters Association, expects to make official visits to all of the ten local associations affiliated with the state association in September and October.

On his official visit to the Hutchinson association, in making the address of the day, he spoke on the advantages of organization. President Eugene O'Kieff, Union Central general agent, presided. An increase in membership of at least 20 percent this year was promised. He will visit Salina Sept. 4 at the invitation of President A. P. Noyes of the association there.

The meeting of the executive committee of the Kansas association called for Aug. 29 by President Cunningham was postponed on account of weather conditions.

Jackson, Mich.—About 30 members attended the annual picnic. Baseball teams captained by Morris Smith and Harry O. Reece contested hotly for honors in the chief sports contest of the afternoon. The athletic program was followed by a steak dinner and entertainment.

Kansas—President Riley G. Cunningham, who is Wichita manager of the Metropolitan Life, has announced a meeting of the new executive committee in Wichita Sept. 7. The regional vice-presidents elected at the May annual meeting compose the committee, in addition to Secretary Leo R. Porter, Wichita general agent Lincoln National. Plans for the year will be formulated at that time and standing committees appointed.

Cedar Rapids, Ia.—Truman Cummings, general agent National Life of Vermont, Cleveland, addressed the August meeting and also appeared before the meeting of the General Agents & Managers Association. "Making Effective Use of Our Selling Equipment," was his topic.

Committees Are Announced for Illinois Association

SPRINGFIELD, ILL., Sept. 3.—President H. M. Solenberger of the Illinois State Association of Life Underwriters announces appointment of committees. The convention committee is headed by Bernard Stumm, Aurora; education, L. O. Schriver, Peoria; extension, Cecil Abrams, Decatur; finance, Charles Axelsson, Chicago; legislation, Norris Bokum, Chicago; membership, Fred Schnell, Peoria; publicity, J. Hawley Wilson, Peoria.

Peoria will be the scene of the fall meeting Oct. 8. The next day a sales congress is being arranged by the Peoria association.

Philadelphia—The 1936-37 season will open with the annual playday at the Overbrook Golf Club Sept. 11. An attendance of close to 500 is expected. On the program are golf matches, baseball, indoor sports and a dinner, with speeches barred.

Birmingham, Ala.—The annual barbecue was held Aug. 27, with about 200 agents attending. E. H. Sessamen was chairman of the picnic committee with Lucien Brown in charge of arrangements.

Peoria, Ill.—In cooperation with the Peoria safety council and association of commerce, the "save-a-life" campaign committee put on a one-day courtesy campaign featured by four white automobiles equipped with amplifiers, with 40 agents taking turns at the microphone broadcasting from 6 a. m. to 11 p. m. Giles Keithley was chairman of the traffic committee. Radio station WMBD broadcast a 15-minute talk by C. E. Thompson, chairman "save-a-life" committee. The managers and general agents division cooperated.

Atlanta—The annual barbecue and sport meeting was held at the East Lake Country Club, with about 150 present. Tennis, golf and water sports were on the program. Charles Brightwell of Athens won the golf trophy.

against \$3,403,376 in August, 1935. Paid business for the first eight months of the year was \$15,544,330 as against \$23,016,952.

Two Companies in a Merger Project

(CONTINUED FROM PAGE 1)

The consolidation is of interest to the public, in that it combines two of the outstanding companies of the state. The United Mutual was originally established by special act of Congress in the fall of 1877. It is one of the oldest life insurance organizations in the country and is one of the four oldest in the middle west. It became an Indiana corporation in 1933.

The American Central was established shortly after the passage of the well-known Indiana compulsory deposit law on April 11, 1899. It is one of the leading western non-participating companies. The home office to be occupied by the new company is one of the outstanding buildings in Indianapolis and is one of the most modern in use by life insurance companies in the country. Plans for changes required for housing the two companies are about complete.

American Central Figures

The Dec. 31 statement of the American Central showed assets \$18,591,563, capital \$2774,000 and net surplus \$300,000. Its income was \$4,730,924 last year, disbursements \$4,779,941. It has \$158,015,496 insurance in force. The company started in business in April, 1899. It has taken a prominent part in the American Life Convention, President Woollen having been former president of the organization, Vice-president H. R. Wilson is now one of the directors, R. T. Byers has been chairman of the financial section, Wendell P. Coler was its former actuary and other people in the organization have taken part in the deliberations and they contributed much. The mortality has been very favorable and its expense ratio is low.

United Mutuals Showing

The United Mutual has also taken a prominent part in the American Life Convention, its assistant to the president, Harry V. Wade, now being chairman of its financial section.

On Dec. 31 it had assets \$25,771,989 and surplus \$1,029,827. Its income was \$4,340,486 and disbursements \$3,957,057. It has in force \$105,445,698. George A. Bangs is president and A. M. Lumpkin, chairman of the board of the new company, is a director of the United Mutual. It started in 1877 as the insurance department of the Knights of Pythias. In August, 1930, the fraternal and insurance activities of the organization were separated. The company is purely mutual. Of its assets 91 percent are in bonds and 3 percent in cash. The mortality has been very favorable, the lapses low and the expenses moderate. The liquid position naturally is very good.

Greater Use of Policies As Collateral on Loans

(CONTINUED FROM PAGE 1)

course, provide that, after maturity or death, the lender shall collect the proceeds, pay the debt due it, and turn over any balance to those entitled thereto.

"The insured may elect certain non-forfeiture benefits. In case of default, the assignee should be given the right to make such election.

"Until default, the assignee should not have the right to procure loans on the policy from the insurance company or from any other source except for the purpose of premium payments.

"Even in case of default, the lender should not be permitted to borrow on the policy, surrender it for its cash value, withdraw dividends credited to the policy, or exercise any right or option given in the policy, unless it first gives

to the insured actual and reasonable notice. One of the difficulties from the lender's standpoint is the giving of this notice. The insured may be non-reachable. The assignment might specifically designate an alternate upon whom such notice could be served.

"Except in case of default or the maturity of the policy, the assignee should have no right to cash dividends, accumulated dividends, or the cash value of paid up additions, but these should be reserved to the assignor.

"Finally, it seems to me, if and when collateral assignments supplant absolute assignments, the lender should, whenever possible, use the insurance company's forms. The insured will then know that he has maximum protection."

John F. Handy, assistant general counsel of the Massachusetts Mutual Life, gave the advice that the insurer should not negotiate an assignment in general terms but should insist upon an agreement with the two other parties as to their respective rights for exercising optional provisions of the policy such as loan, cash or premiums, reinstatement, change of plan, automatic extended term, reduced paid up insurance, change in dividend, option election, if any. Should the insurer fail to come to an agreement about the exercise of these rights, then, he said, the insurer must take the position of refusing to allow the insured or the lender to exercise any of them.

Relying Less on Terms

Mr. Handy indicated that insurance companies are relying less and less upon the bare terms of their own contracts where trust agreements are involved and are seeking to determine the powers of the trustee before permitting him to exercise any policy rights. He urged greater effort toward adoption of a uniform assignment form.

Basil L. Collins of the Old Colony Trust Company discussed many of the collateral assignment problems from the viewpoint of the lender. He outlined bank procedure for safeguarding its interests.

WITH INSURANCE BAR

The busiest insurance man at the bar association meeting was Jay R. Benton, vice-president of the Boston Mutual Life. Mr. Benton was general chairman of the Boston Bar Association committees in charge of the convention. He is a former attorney general of Massachusetts.

For the 18th time the Fidelity & Deposit furnished the secretarial bureau for the convention. Eighteen girls were kept busy. The bureau was in charge of George E. Babylon of the home office, who has handled this for the company during the past 15 years. Vice-president John A. Luhn was an active attendant at sessions of the convention.

The insurance section seemed to include about an equal division of company counsel and trial lawyers. The round table sessions, an experiment this year, were pronounced successful and will be repeated next year.

Last May the insurance section had a membership exceeding 2,500.

Chairman W. E. Stanley, Wichita, of the insurance section, warned the attorneys to use the bar association automobile policy only for annotations and not as a standard or uniform contract since it is not in use nor is it presented as a model.

The auditorium of the John Hancock Mutual Life was used for several sectional meetings. General Counsel Byron K. Elliott of that company acted as host.

Figures long familiar to insurance convention goers and present in Boston were Walter H. Bennett, counsel of the National Association of Insurance Agents; Jesse Phillips, chairman of the Great American Indemnity and former insurance commissioner of New York; Herman L. Ekern, Chicago, practicing insurance counsel and former commissioner in Wisconsin.

AS SEEN FROM NEW YORK

By R. B. MITCHELL

POOR AUGUST FOR NEW YORK CITY

Life insurance production in New York City was definitely off for August. There appears to be no ready explanation except that practically everyone took his vacation in that month. It is always the favorite month among New Yorkers for getting out of town, but this year it seems to have been selected almost unanimously. The slump was particularly noticeable among offices doing a large volume of brokerage business. July business was not so bad as might have been expected, considering the abnormal heat. Vice-president Leonard Ayres of the Cleveland Trust Company, widely known economist, pointed out earlier this year that in presidential years following a depression the normal summer slump in business is missing. This seems to have worked out in the case of life offices which kept driving for business during July, but failed to hold good in August.

An increased amount of business among the smaller agencies of New York City may be inferred from the fact that the Sales Research Bureau estimates of sales in New York City were \$58,000,000 in the first half year as against \$54,000,000 for the same period last year, while the larger agencies of the city were indicating no such increases in their production.

Too much significance should not be attached to production figures, as companies have different ways of counting volume. One, for example, may give volume credit for annuities, while another does not. Then, too, there are

differences in the companies' methods of giving volume credit for family income policies, which contain a large proportion of diminishing term insurance.

EUBANK AGENCY GAINS

The Gerald A. Eubank Agency of the Prudential in New York City paid for \$1,004,465 in August as against \$961,469; and for \$7,320,603 in the first eight months as against \$5,778,264, a gain of 26.6 percent.

JOINS EUBANK AGENCY

Harold E. ("Moose") McCormick, baseball coach at West Point since 1926 and famed as a pinch hitter for the New York "Giants," has joined the Gerald A. Eubank Agency of the Prudential in New York City. An outfielder for the "Giants" from 1904 to 1914, Mr. McCormick was the second of that team's great pinch hitters. At that time the idea of such a role was something of a novelty. The "Moose" title was given him by the late Charles Van Loan, sports writer, after watching him charging around the outfield. Mr. McCormick didn't like it at first but later saw that the designation had its complimentary side. At any rate the name stuck.

MYRICK AGENCY FIGURES

The Julian S. Myrick Agency of the Mutual Life of New York in New York City paid for \$1,454,176 last month as

SALES IDEAS AND SUGGESTIONS

Self Improvement Theme of Equitable of N. Y. Conference

"The most important thing in anything you do is yourself," said Frank L. Jones, vice-president of the Equitable Life of New York, in an address at the educational conference of five Chicago agencies of the company at Wawasee, Ind.

"We have made far greater advances during the last century in things than we have in people," Mr. Jones continued. "We have made gains in the grade of live stock, in machinery, in glass, steel and other things too numerous to mention. I am interested in human power—not in dynamo power, water power, or gasoline power."

Cites Recent Experiments

"You can learn as easily when old as when young," stated Mr. Jones citing recent experiments which prove this contention. "Mental power does not decrease with increasing age. If a man can keep his mind growing most of the adverse things that happen won't happen to him. You don't make growth by methods alone—but by continuing to learn. I would rather have an agency of 10 such men than one of 100 men who had stopped learning. Move ever upward in mental power. You can so greatly improve yourself in a short time that you will surprise yourself if you set about it."

J. C. Ballentine of the Kerber agency, speaking on preliminary selection of prospects, defined a prospect as a person who needs insurance, can afford to pay for it, whose age, habits, employment and health are such that he can buy insurance, and one whom you can interview.

Prospecting Ideas Given

Mr. Ballentine uses in overcoming sales resistance a card on which there are four questions: "If Mrs. Smith and yourself should be killed in an accident tonight who would get the insurance money? Are you paying for your insurance in the most economical manner? Are you using the trust services of the life insurance companies? Do you know what the pension power of your insurance estate will be at 55, 60, 65?"

W. D. Davidson, Sloan agency, speaking on "Referred Prospects," stated that more than 70 percent of his recent business has come from this source. He sometimes asks his client, "Who among your friends would you call on as a good prospect if you were starting in the life insurance business?" He tells his clients, "I am interested in meeting people." To young men he says, "I am interested in meeting people with a future like your own."

Prestige Is Established

E. W. O'Shaughnessy, Sloan agency, establishes prestige through mentioning work done for friends of the prospect; through letters of endorsement; through samples of work done. His first objective is to make clear that there is more to buying insurance than just buying policies. He asks, after completing a sale: "Do you resent the fact that a friend sent me to see you? Then you are safe in sending me to one or more of your friends."

Philip Wolfe, Israel agency, talking on consistent weekly production, spends one evening a week at the office planning calls for the following week. He told how a card listing a child's age led to four examinations, a complete family checkup, early this month. Sales thus far are \$5,000 to the father and \$1,000 to the wife, with two children's policies in sight.

W. M. Rothaermel, superintendent of

agencies central department, made a stirring plea for a militant morale. He closed with this quotation: "For those who face the sun, the shadows are always behind."

The conference closed with an inspiring address from Gage E. Tarbell, senior director of the Equitable. Mr. Tarbell went to Chicago to represent the Equitable there on Jan. 1, 1889, and didn't know 20 people in the city. His personal production that year was \$2,980,000!

He said, "In Chicago I insured more than 50 percent of the people I tried to insure." Over half of his business was written on the first call. Before seeing a man he wanted to know who he was, what he was, what his business was, how successful he was, with full information about his family and the ages of its various members.

"Remember," said Mr. Tarbell, "in each interview you are your company. The other fellow is never as big as you are. A great many are discouraged

about the amount of preparation they are told is necessary to write life insurance. I wrote my first application on Oct. 1, 1879, just five minutes after my contract was signed."

"You never should ask a man to sign an application unless you have a policy yourself. I never believed in talking insurance to a man unless he was alone. He was apt to say 'No' a few times which had no effect on me but if others heard it he was morally obligated to stick to it."

Mr. Tarbell urged that every agent be inoculated with the serum which results in pride of production or pride in achievement. "I recently asked three leading insurance men this question: 'How much time does the average agent spend daily in a prospect's presence trying for a signed application?' One replied, 'an hour,' the second, 'a half hour,' the third, 'ten minutes.' I am inclined to agree with the half hour estimate. Before you go to bed spend 10 minutes reviewing the day's work. Have you put in an honest day's work? Have you missed a trick? Write out five names for the next day's work—and be sure to see these people. Any normal person of average intelligence and fair appearance who will follow this program will be successful. Everyone should aspire to get ahead of himself."

Manager Finds Advertising Pays

Because Henry M. Powell, Atlanta general agent of the State Mutual Life, "didn't know any better" he once wrote one or more applications a day for 123 consecutive days to set a new record. Since that time Mr. Powell has probably set another world record in the amount of advertising done by a single insurance agent. He has shown the cigarette and chewing gum people a few things about advertising by taking whole pages in Atlanta newspapers to tell the story about life insurance and to make his name better known.

Known Wherever He Goes

He is a former president of the Atlanta Association of Life Underwriters, vice-president of the General Managers Association of his company and vice-president and secretary-treasurer of the Atlanta Managers Club. Recently on walking two blocks in the city he was greeted by 42 persons, 35 of whom called him "Hank," but he wasn't always so well known, as he related in addressing the Birmingham Association of Life Underwriters.

"When I went to Atlanta in 1921 I didn't know a soul in the city. I went to the manager of a life insurance company and told him I wanted to sell life insurance. He asked if I had any money and I said no. Then he asked if I knew anything about life insurance and I said no. But I persuaded him to give me a 20 year endowment policy. I went to a foreign-born operator of a small candy shop and told him if he would pay me so much per year my company would pay his mother \$1,000 in 20 years. He said 'I take it' and I signed him up with a lead pencil, no pen or ink being at hand. I had to go back and get the application signed in ink, but that was my start."

Took Manager's Tip Seriously

"The manager said that for a few weeks all I had to do was to produce one application a day. I thought that was the minimum so I didn't miss for 123 consecutive days. On the 33rd day it was necessary to call a woman hotel guest out of bed (I had seen her name on the register), but I got the application with medical examination, 10 minutes to midnight."

In 1926 Mr. Powell was made general agent of his company and called

on Clark Howell, editor of the "Atlanta Constitution," telling some of his troubles and asking how he might increase his business. "Advertise," counseled Mr. Howell. Mr. Powell signed a \$3,000 contract and during 1929, 1930 and 1931 he ran a number of full page displays at a cost of \$367 each. The advertising paid as he made \$21,000 during the three years.

Value of Civic Work

Then Mr. Powell got into civic work and more publicity came to him than he could pay for at advertising rates. On leaving for Biloxi on vacation a picture of him and his family appeared in the paper. Another picture on the front pages of Atlanta newspapers showed him greeting Senator LaFollette on the latter's visit to Atlanta. When he opened a new office 60 days ago it received more publicity than the opening of a new bank. When the president of his company went to Atlanta, a newspaper carried an editorial on the visit.

Letting the publicity take care of itself, Mr. Powell then began collecting autographed photographs of persons including women on whom he had written insurance. Many of the persons are nationally known. Recently he obtained a photograph with a personal message from a man known to every person in the United States.

"A man is usually limited by the number of his friends and by the number of persons knowing him," said Mr. Powell. "My advertising was not through any sense of egotism but to extend my business horizon. I find also that a broad circle of acquaintances helps me to keep up my spirits."

Harrison Again a Candidate

ATLANTA, Sept. 3.—W. B. Harrison, former comptroller general and insurance commissioner of Georgia, who was ousted from office by Governor Talmadge in February, will be a candidate for that office at the September primary. His opponent is H. C. Parker, who also ran in 1934 and is now the comptroller appointed by Talmadge, for Harrison's unexpired term.

Mr. Harrison was first elected comptroller in 1929 and retained the position until removed by the governor.

C.L.U. NEWS

R. E. OLMSTED HONORED

A meeting of the Detroit C. L. U. chapter was held in honor of Robert E. Olmsted, who leaves to become general agent of the Mutual Benefit at Providence, R. I. Special guests were the officers of the Qualified Life Underwriters and of the Associated Life General Agents & Managers. F. A. McCartney, president of the C. L. U. chapter, presided and brief talks, regarding Mr. Olmsted's activities in insurance circles in Detroit and Michigan were made by Messrs. Knaggs, Schoch, Owen, Lackey and McCartney.

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CINCINNATI C. L. U. PICNIC

The Cincinnati chapter C. L. U. will hold its annual picnic at the Dry Run Hunt Club, Newtown, O., Sept. 9. There are seven new members, making a total of 38. W. T. Earls, New England Mutual, is chairman program committee.

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DALLAS C. L. U. CLASSES

Classes leading to examinations for the C. L. U. degree of chartered life underwriter have been organized under auspices of the Dallas Association of Life Underwriters and will begin Sept. 14. R. E. Fried will teach the economics of life insurance; E. G. Brown, actuary, principles and practice of life insurance; David Mayer, psychology, and Ricks Strong, salesmanship.

Alcohol Death Rate Rise Not Among Policyholders

NEW YORK, Sept. 3.—Despite efforts of the prohibitionists to show that drinking is a greater evil than before repeal, life companies find nothing in their mortality statistics to indicate such a condition among their policyholders. At the same time, there is more than a little suspicion that at least a part of the high rate of deaths from automobile accidents could be traced to the freer drinking habits that have come in since prohibition went out. In checking up on double indemnity claims, companies find frequently that the assured stopped at one or more places where the presumption is that he had a drink or two. This type of drinking is considered to be more dangerous than somewhat heavier imbibing, as the result is to give the driver a feeling of exhilaration and greater confidence whereas actually his adeptness and reaction time are considerably diminished.

Information Hard to Get

A difficulty in arriving at any definite conclusions on this point is that except in New York City and Newark, N. J., the coroner system prevails and there is little chance to find out how many of the persons who died in automobile accidents were slightly intoxicated. In New York City and Newark the procedure is to have the deceased's brain examined by a competent toxicologist whenever there is any suspicion that the accident might have been caused by even a slight amount of alcohol.

While there appears to have been no change in policyholders' mortality due to repeal, there are many more cases of alcoholism and diseases and deaths among the general population directly traceable to overindulgence in liquor than before repeal. Most of these cases, however, are among the poorer classes and those who have drunk themselves into poverty and are not the type of people who would be paying premiums on ordinary life insurance.

Pacific Mutual's Case Is Still Up

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received in the mail by Judge Willis containing rehabilitation suggestions were read. The principal statement was made by Irving Walker, of Loeb, Walker & Loeb, as attorney for the Balch committee of stockholders, who stated that under the rehabilitation plan the stockholders stood to lose their holdings and that the policyholders, except those with non-cancellable policies, would be the beneficiaries. He said that in the rehabilitation the commissioner plans to mutualize the company. Such, he said, would benefit the life policyholders very materially, but affect his clients adversely. He also pointed out that the plan would be unfair to the non-cancellable policyholders because it is proposed to pay them in some instances only 20 percent of the benefits, whereas the regular life policyholders would in no way be affected, except beneficially. He also stated that the Pacific Mutual Life was organized as a stock company and any change in the form of its organization, such as its mutualization, involved grave questions concerning the rights of such stockholders.

Amendments Were Offered

Section by section, Mr. Walker went through Commissioner Carpenter's rehabilitation plan and disapproved most of it. With his objections in the record, he offered for consideration a series of amendments which entirely changed the set-up recommended by the commissioner.

The hearing was in the nature of a get-together meeting by opposing counsel and was almost entirely informal, and, according to Judge Willis, was for the purpose of listing and correlating objections to Commissioner Carpenter's proposal. With the record completed in respect to this phase, opposing counsel were asked not to come before the court again until after a series of conferences among themselves, during which efforts would be made to bring the contending parties together.

Attorney Frank Daugherty, representing a large group of New York policyholders, formally requested the employment of independent actuaries, to be appointed by the court. Judge Willis said that while he did not propose to act upon the suggestion at present, future developments may make it necessary.

The proceedings Aug. 26 resulted from a formal order to show cause why Commissioner Carpenter should not be appointed liquidator and his plan for rehabilitation approved. Following the court session, Commissioner Carpenter announced that the business of the Pacific Mutual Life is continuing under his direction as conservator.

Conference Was Held

In an effort to develop a new reorganization plan for the Pacific Mutual which will prove more favorable to stockholders and policyholders approximately 50 lawyers, representing the company and groups of policyholders, met in the directors' room of the Pacific Mutual on Friday. Following the meeting, the only statement forthcoming was: "We feel that very definite progress is being made." Attorney Paul Overton was elected chairman and rehabilitation plans were discussed for several hours.

One proposal is to create a committee of three "voting trustees" to supervise the company, to replace Commissioner Carpenter as conservator, and to allow policyholders to protect their original benefits with increased premiums, rather than to decrease benefits with unchanged premiums as now provided.

COMMENT BY HUNTER MARTIN

Hunter L. Martin of the insurance agency of Pearce, Porter & Martin of

Tulsa, who is not only a good practical insurance man but an observer of insurance operations as a whole, writes to the chairman of the Pacific Mutual policyholders protective committee, as he has had a non-cancellable policy in the Pacific Mutual for a number of years. He says:

"I have read a great deal recently about the Pacific Mutual Life situation, and particularly with reference to the reduction in benefits to the policyholders of non-cancellable disability policies. I have had one of these policies since March, 1926, and, naturally, I have been resentful of the method used in the reorganization. I have been in the insurance business myself for some 35 years, have sold a great deal of disability insurance, and in the years past made an intensive study of the accident and health business.

Protecting the Life Policyholders

"I do not know anything concerning the inside 'politics' of the reorganization of the Pacific Mutual; apparently it was done overnight. I am not unmindful of the importance of keeping the reserve of life companies for the life insurance policyholders in a solvent condition. Men and women labor for years to pay life insurance premiums and look forward to the time when the insurance estate so created will answer the purpose for which they have paid the premiums for many years. Hence, personally, I feel that it is of the utmost importance and the proper thing that something should have been done to protect the life insurance estate of the policyholders of the Pacific Mutual.

Loading for Non-cancellable

"On the other hand, it certainly is not the proper thing that those holding non-cancellable disability contracts should be the sole sufferers. The rates for accident and/or health (combined, known as disability insurance) are based, as are all the insurance rates, on experience, and in the case of non-cancellable disability insurance these rates for ordinary disability insurance have been loaded to take care of the non-cancellable feature. Most companies realized earlier that this loading for the non-cancellable feature was insufficient and that if sufficient loadings were put on policies to take care of this feature that the rates would be so high that the cost to the public would be prohibitive, and most companies quit the writing of this class of business.

Suggestion Is Made

"Now, I wish to advance at least one thought for consideration that certainly should have some merit, and I am advancing this thought on the theory that not much will be done for the relief of the holders of the non-cancellable disability policies. A committee, comprised of one man from each of the five leading accident and health companies, could take the various non-cancellable form policies that the Pacific Mutual issued over a number of years and figure a proper premium charge for the contract as issued, less the loading that was in the premium charge for the non-cancellable feature. Then the difference between that premium and the premium charged by the Pacific Mutual on its non-cancellable policies should certainly be returned to the holders of these non-cancellable policies that were in effect at the time of this reorganization that do not accept the continuance of their policies under the reorganization. In my particular case I have paid this premium for some 10 or 11 years, and have never had a claim, but I have had insurance in the meantime; however, I now feel that I have been treated very unfairly."

Rejections on Account of Liquor Habit Big Factor

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always be insistent regarding the question: "Were you ever rejected by any

insurance society, company or association?"

Fraternal societies, Dr. Kennedy contended, should proceed with caution in writing business on the substandard basis. Most fraternal members are small holders. In selecting cases the societies can safely write up to 150 or 175 percent mortality which should ordinarily be based on family history, personal history, etc.

The medical examiner should be a first class doctor in every respect. The old fashioned lodge physician is out of date. The subordinate lodges should be allowed to select as many physicians as they desire but the medical director should appoint medical examiners only that are graduates of recognized medical colleges and up to date doctors in every respect. There should be continual recruiting of younger examiners.

Compensating physicians and hospitals for records of treatment of applicants is well worth the amount allowed.

All Should Be Inspected

All insurance should be inspected, whether written on medical or non-medical blanks and regardless of the amount applied for.

In most societies, he said, a leeway of 20 percent above standard weight is allowed, provided other factors come up to the standard qualifications.

The medical examiner is more capable of eliciting correct information from the applicants than are laymen. The applicant's past personal history and family history as recorded by the examiner, may differ widely from that recorded by the field man. It is, therefore, necessary that field men be instructed to give utmost care in securing full information regarding family history, past illnesses and health history.

Fidelity Leaders Club in Convention

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FitzGerald was first vice-president in 1933; top man in production for the off-convention year, 1934, and has maintained this pace ever since.

Vice-presidency went to Richard W. Campbell, Altoona, Pa., who has steadily marched toward this high post ever since he claimed the president's trophy in 1934. The following year he was director of the club and this year is runner-up for the highest office. Donald J. Cranston, Chicago, was installed as second vice-president. He attained second place among the stars for 1935.

Gettis Is Secretary

Secretary went to Stanley H. Gettis, Washington, D. C., who has held most of the posts since he was elected vice-president in 1923. In 1933 he was president. Harry N. Lyon, San Francisco, became treasurer. Mr. Lyon joined the Fidelity in 1933 and in 1935 was director of the club.

The following directors were also installed: P. J. Grogan, Johnstown, Pa.; Sidney Rice, Indianapolis; Maurice Strauss, Newark; J. H. Brennan, Chicago; Karl Collings, Philadelphia; Christopher Gillen, Philadelphia; R. R. Bibing, Allentown, Pa.; H. A. Mader, Ridgeway, Pa.; C. B. Metheny, Pittsburgh, and M. E. Steinhilber, Cleveland.

The first on the program was R. W. Campbell, Altoona, Pa., who spoke on "Demoralizing Detours." He discussed his own work program, with particular emphasis on time control. The Tuesday session was concluded by J. E. FitzGerald, on "Straight Thinking and Hard Knocking." Prospecting was taken up by J. H. Brennan, Chicago, and Miss Elsie Ullrich of the home office.

Discuss Income Plan

Fidelity's income for life plan was given by W. Stanton Hale, Atlanta, who covered the romantic side as developed from case histories of beneficiaries to whom income checks were being paid by the company. Development of this theme was made by the sales demonstration put on by F. L. Bettger and Karl

Collings, both of Philadelphia. Mr. Bettger gave the full history of the \$3,600 premium written some years ago on one of Fidelity's direct mail leads.

A one act play, "In the Eyes of the Court," was staged by a cast including Mrs. Paul Wechsler, Philadelphia; Mrs. C. K. Gordy, New Haven, Conn.; Miss Viola Schnitzer, Cincinnati; Chris Gillen, T. R. Powell, E. J. Dowling, and J. L. Malcomson, all of Philadelphia, collaborating with C. T. Feddeman, Harvey Redington and C. P. Mayfield of the home office. C. B. Metheny, Pittsburgh, spoke on "Better Selling by Planned Distribution," in which the use of income options was thoroughly discussed.

Round Table Conducted

On Wednesday afternoon a round table was conducted on underwriting and selling. An innovation was introduced by holding a special short session for wives of leaders, under the direction of Mrs. Walter LeMar Talbot. The speaker was W. A. Conway, supervisor of agencies, who stressed the part that wives could play in furthering the success of agents. At the final session Paul Johnson, Cincinnati, was the opening speaker, discussing "Good Salesmanship."

For many years Fidelity has included on its convention program a series of short, rapid-fire talks, the winner being selected by the audience. The speakers are held within the time allotment and choose their own subjects. Six such talks were given at this session, by L. C. Burwell, Jr., Charlotte, N. C.; A. M. Cook, Raleigh, N. C.; E. H. Davis, Columbia, S. C.; F. H. Jannuzi, Pittsburgh; C. W. Steinkamp, Memphis, Tenn.; and G. F. Webster, Rochester, N. Y. Concluding speaker was Paul Speicher, managing editor Insurance Research and Review Service.

The program provided a maximum of free time. Only one night event was scheduled and that was confined to a few who had attained certain standards in the May election contest, recognition taking the form of an inaugural dinner, with C. P. Mayfield, manager of publicity, presiding.

Producers Are Feted

As the concluding factor to a production contest held last May, the Fidelity introduced a new note in its convention proceedings by holding a dinner for the winners of that contest. The May contest took the form of an election campaign in which under a point scoring plan a president, vice-president, chairman of the convention and keynote speaker, together with chairmen from each state, were to be nominated. Twenty qualified and attended the dinner.

C. P. Mayfield, publicity manager, was toastmaster, and J. H. Brennan of Chicago was keynote speaker, giving an amusing address of the party "platform." Maurice Strauss of Newark introduced President Eades and Vice-president Gettis, both of whom responded with appropriate remarks. The principal speaker was John D. Mahoney, head of the English department of the West Philadelphia high school.

Claris Adams Takes Up New Duties at Columbus, O.

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and O. N. Young, manager at Lima, O.

Mr. Adams was tendered an informal reception by officers and employees. He was presented with many bouquets of flowers and received a large number of messages of congratulation and goodwill from friends in the insurance world.

A feature of Mr. Adams' installation was a shower of insurance applications, these coming from every agency. The new business received made the day's volume of new business one of the largest of any one day in the history of the company.

At noon Mr. Adams was guest at a luncheon given by the Columbus agency of the Ohio State Life. L. A. High, manager, presided and Mr. Adams was introduced by Frank L. Barnes, agency vice-president.